

Readopt with amendment Ac 204, eff. 1-26-2007 (Doc. #8810), to read as follows:

PART ~~Ac 204~~ FILING AND SERVICE OF DOCUMENTS

~~Ac 204.01 Filing of Documents with the board.~~

~~(a) A document shall be considered filed when it is actually received at the board's office in Concord and conforms to the requirements of this chapter. A document tendered for filing that is patently and facially in violation of the board's rules shall be returned to the sender and not accepted for filing.~~

~~(b) All documents filed shall be filed with an original and 6 copies, except that only a single copy of correspondence, applications and complaints against licensees shall be filed.~~

~~Ac 204.02 Subscription and Veracity of Documents.~~

~~(a) All complaints, petitions, motions, and replies filed with the board shall be signed by the proponent of the document or, if the party appears by representative, by the representative.~~

~~(b) The applicant's signature on a document filed with the board shall certify that:~~

~~(1) The applicant has read the document;~~

~~(2) The applicant is authorized to file it;~~

~~(3) To the best of the applicant's knowledge, information, and belief, there are good grounds to support it; and~~

~~(4) The document has not been filed for purposes of delay or harassment.~~

~~(c) A willful violation of (b), above, shall cause the board to issue an order adverse to the party committing the violation.~~

~~Ac 204.03 Service of Documents.~~

~~(a) Complaints against licensees shall be filed with the board with service upon the licensee in question.~~

~~(b) Petitions for rulemaking and petitions for declaratory rulings shall be filed with the board by the petitioner without service upon other persons.~~

~~(c) All motions, replies, exhibits, memoranda, or other documents filed in an adjudicatory proceeding shall be served by the proponent upon all parties to the proceeding by:~~

~~(1) Depositing a copy of the document in the United States Postal Service, first class postage prepaid, addressed to the last address given to the board by the party being served, no later than the day the document is filed with the board; or~~

~~(2) Delivering a copy of the document in hand on or before the date it is filed with the board.~~

~~(d) Except as required by (e) below, all notices, orders, decisions, or other documents issued by the board in the course of an adjudicatory proceeding shall be served by the board upon all parties to the proceeding by either:~~

~~(1) Depositing a copy of the document, first class postage prepaid, in the United States Postal Service, addressed to the last address given to the board by the party being served; or~~

~~(2) If a party is not represented, delivering a copy of the document in hand to the party.~~

~~(e) When a party authorizes a representative, service, either via the United States Postal Service or in hand as required in (d) above, shall be upon the representative.~~

~~(f) Except for exhibits distributed at a pre-hearing conference or hearing, every document filed with the board, and required to be served upon the parties to an adjudicatory proceeding, shall be accompanied by a certificate of service, signed by the person making service, attesting to the method and date of service, and the persons served.~~

PART Ac 204 COMPLAINTS, INVESTIGATIONS AND HEARINGS

Ac 204.01 Initiation of Disciplinary Proceedings. The board shall undertake investigations and disciplinary hearings, in response to a written complaint filed in accordance with Ac 206.02 for which probable cause is found by the board or in response to other information that comes to the board's attention for which probable cause is found by the board.

Ac 204.02 Complaints of Misconduct.

(a) Complaints alleging misconduct by licensees for violations of RSA 309-B:10 or the board's rules shall be in writing and filed at the board's offices in Concord, New Hampshire.

(b) A complaint shall contain the following information:

(1) The name, address, home and work telephone number, cellular telephone number, and electronic mail address as applicable of the complainant;

(2) The name address, home and work telephone number, cellular telephone number, and electronic mail address as applicable of the licensee against whom the complaint is directed;

(3) Date, time, place and summary of alleged violation(s);

(4) Name, address, home and work telephone number, cellular telephone number, and electronic mail address as applicable of those having knowledge of the alleged violations;

(5) Specific provision of statute or rule on which the complaint is based; and

(6) Other data pertinent to the complaint.

(c) A complaint that alleges acts of misconduct that occurred more than 4 years before the filing date shall not be accepted unless it also alleges that these acts could not have reasonably been discovered during all or some substantial part of the intervening 4 year period.

(d) A complaint shall be treated as a petition to the board for the commencement of a disciplinary hearing that shall be conducted pursuant to Ac 209.

(e) The licensee shall respond in writing to stated misconduct allegations by addressing each allegation. The licensee shall, within 15 days so respond or submit a written request for more time to respond. Failure to respond or request more time shall result in an order of default, and the board shall then commence and conduct a disciplinary hearing.

(f) The board shall automatically grant one written request for more time to respond to allegations of misconduct pursuant to (e) above. Such extension shall be for the amount of time requested, but shall not exceed 30 days from the date the response was due.

Ac 204.03 Processing of Complaints and Complainant Participation.

(a) Upon receipt of a complaint, the board shall commence an investigation pursuant to Ac 204.04.

(b) The board shall dismiss a complaint at any time for failure to allege misconduct, failure to respond to a request for information, or failure to participate in any investigation or hearing ordered by the board. However, the board shall independently pursue allegations of misconduct alleged against a licensee under its jurisdiction upon receipt of information alleging such misconduct. Such complaint shall also comply with Ac 206.02.

(c) At any stage of the board's investigation of the allegations in a complaint, the board shall, with the consent of the licensee and subject to (d) below, enter a settlement agreement that imposes discipline upon the licensee and terminates further disciplinary action in whole or part.

(d) Action under (c) above, shall not be taken unless:

(1) The complainant receives notice and an opportunity to submit written comments concerning the proposed settlement or consent decree; and

(2) There are no material facts in dispute between the licensee, the complainant, and intervenor and the proposed discipline would not be greater than foreseen discipline imposed by the board after notice and opportunity for hearing pursuant to Ac 200.

(e) At any time during the board's investigation of the allegations in a complaint, the board shall encourage the licensee and the complainant to participate in mediation on a timely and good faith basis with a non-board member designated and who agrees to act as a mediator.

(f) When mediation is agreed to be undertaken pursuant to (e), above, the mediator shall attempt resolution of the dispute between the complainant and the licensee, and, within 60 days of agreement to mediate, shall submit a written report to the board.

(g) The report required pursuant to (f), above, shall contain:

(1) A written settlement agreed by the parties; or

(2) A report that indicates only that settlement of the issues between the complainant and the licensee could not be reached.

(h) Upon receiving the mediator's report, the board shall proceed with further disciplinary proceedings or, with consent of complainant, discontinue its investigation.

(i) Misconduct issues alleged by the complainant and disclosed to the mediator during mediation shall be negotiated in good faith by the complainant and the licensee.

(j) Unless previously settled, a complaint that alleges misconduct, and for which the board finds probable cause, shall be incorporated into a notice of hearing that commences a disciplinary hearing pursuant to Ac 210.04.

(k) When a complaint is the subject of a disciplinary hearing, the notice of hearing shall provide the complainant the opportunity to intervene in the proceeding. A complainant shall have no rights to participate in a disciplinary hearing unless an affirmative election to intervene is made in writing to the board.

Ac 204.04 Investigations.

(a) The board shall conduct such investigations as are necessary to examine allegations of misconduct that come to its attention through complaints or other means.

(b) The board, through its chairperson, shall, pursuant to RSA 309-B:11, I, issue subpoenas in investigations whenever it determines that the investigator needs access to documents, persons, or things that would not otherwise be made available to it in the absence of a subpoena.

(c) The board shall appoint a member of its staff, or one or more of its members, or other knowledgeable person to conduct the investigation. Each board member who participates in an investigation shall not participate in any further actions of the board concerning the subject matter of that investigation.

(d) The type, form, and extent of an investigation shall be determined based upon the following:

- (1) The statutory or regulatory authority for the investigation;
- (2) Any statutes or rules believed to have been, or about to be, violated;
- (3) The identity of the persons, or class of persons, that are subject of the investigation;
- (4) The general nature of the conduct being investigated; and
- (5) The date by which the investigating officer shall report his or her findings and recommendations to the board.

(e) Investigations shall not commence a disciplinary hearing and shall not constitute a finding of probable cause regarding the alleged misconduct.

(f) When an investigation occurs, an investigator designated by the board shall contact such persons and examine such records and other documents as are reasonably necessary to make a recommendation to the board as to whether there is probable cause to support the allegation(s) of misconduct and commence and conduct disciplinary proceedings.

(g) Investigations, including those based upon allegations in a complaint, shall be conducted on an *ex parte* basis.

(h) Following the investigation, the investigator shall, pursuant to RSA 309-B:11, II, make a report to the board. Based upon that report the board shall find either probable cause or a lack of probable cause or shall return the report to the investigator for further investigation. If the board finds probable cause, it shall commence and conduct disciplinary proceedings based upon such allegations of misconduct. If the board finds a lack of probable cause, it shall dismiss the complaint.

(j) Investigatory reports and all information gathered by an investigator shall be confidential, provided that:

- (1) The investigator's report shall be made available to the parties in any adjudicative proceeding resulting therefrom; and,
- (2) The board shall provide information gathered in disciplinary investigations to:
 - a. Law enforcement agencies;
 - b. The accountancy licensing boards or agencies of other jurisdictions;
 - c. Board investigators or prosecutors;

- d. Expert witnesses or assistants retained by board prosecutor or investigators in the same or related disciplinary matters; and
- e. Persons to whom the licensee has given a release.

(k) Information gathered during investigations shall not be released to the public until an evidentiary hearing is held or a final settlement or other disposition of such a proceeding is reached, and only to the extent that it is not exempted by any provision of RSA 91-A or is otherwise privileged under law.

Readopt with amendment Ac 212, eff. 1-26-2007 (Doc. #8810), to read as follows:

PART ~~Ac 212~~ DISCIPLINARY SANCTIONS

~~Ac 212.01 Notice and Type of Sanctions:~~

~~(a) Other than immediate licensee suspensions authorized by RSA 541-A:30, III, the board shall impose disciplinary sanctions only:~~

~~(1) After prior notice and an opportunity to be heard; or~~

~~(2) Pursuant to an agreed upon settlement or consent decree.~~

~~(b) Following a hearing and after a finding that misconduct or dishonesty has occurred by a licensee, the board shall impose disciplinary sanctions, to the extent authorized by RSA 309-B:6.~~

~~(c) Copies of board orders imposing disciplinary sanctions and copies of all settlement agreements or consent decrees shall be sent to the licensing body of each state in which the licensee is licensed.~~

PART Ac 212 VOLUNTARY LICENSE SURRENDER

Ac 212.01 Voluntary Surrender by Licensees. A licensee who is the subject of a complaint, investigation, or hearing regarding allegations of misconduct may, as part of a settlement resolving the issues of the complaint or investigation, voluntarily surrender the license by delivering it to the board and stating in writing that:

- (a) The surrender is freely rendered;
- (b) The licensee is not being subjected to coercion or duress;
- (c) The licensee is fully aware of the implications of surrendering the license;

(d) The licensee is aware that there is presently pending a complaint or an investigation, the nature of which the licensee shall specifically set forth; and

(e) The licensee acknowledges that the material facts upon which the complaint is predicated are true.

Adopt Ac 214.04 and Ac 214.05 to read as follows:

Ac 214.04 Requests for Explanation of Adopted Rules. Any interested person may, within 30 days of the final adoption of a rule, request a written explanation of that rule by making a written request to the board including:

(a) The name and address of the individual making the request; or

(b) If the request is that of an organization or other entity, the name and address of such organization or entity and the name and address of the representative authorized by the organization or entity to make the request.

Ac 214.05 Contents of Explanation. The board shall, within 90 days of receiving a request in accordance with Ac 214.04, provide a written response which:

(a) Concisely states the meaning of the rule adopted;

(b) Concisely states the principal reasons for and against the adoption of the rule in its final form; and

(c) States, if the board did so, why the board overruled any arguments and considerations presented against the rule.

Readopt with amendment Ac 301.01, eff. 1-26-2007 (Doc. #8810) to read as follows:

CHAPTER Ac 300 CERTIFICATION REGISTRATION AND PERMIT
REQUIREMENTS

~~PART Ac 301 APPLICATION PROCEDURE~~

~~Ac 301.01 Application Forms Required.~~

~~(a) Applicants seeking to sit for the CPA examination shall submit a completed, signed and notarized Form NHBOA-1, including all required attachments.~~

~~(b) Form NHBOA-1, The "Application to sit for the CPA Examination", shall be received by 3/15 for the May exam and 9/15 for the November exam.~~

~~(c) The applicant shall supply the following:~~

- ~~(1) Name and former names, if applicable;~~
- ~~(2) Social Security Number;~~
- ~~(3) Date of birth;~~
- ~~(4) Place of birth;~~
- ~~(5) Mailing address;~~
- ~~(6) Current employer;~~
- ~~(7) Whether applicant has previously taken the CPA examination and if so, when and where;~~
- ~~(8) Parts of the exam applicant will sit for;~~
- ~~(9) Official transcripts of all post secondary education;~~
- ~~(10) Whether applicant has been barred from a CPA exam; and~~
- ~~(11) Attestation by the applicant that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.~~

~~(d) The applicant submitting an "Application to sit for the CPA Examination", Form NHBOA-1 shall supply the following with the application:~~

- ~~(1) The fee specified in Ac 301.02; and~~
- ~~(2) Two passport size photographs of the applicant.~~

~~——(e) The applicant submitting an "Application to sit for the CPA Examination", shall supply the following information, one month preceding the exam:~~

- ~~(1) Official college transcripts; and~~
- ~~(2) Foreign Academic Credential Service evaluation, or equivalent, if applicant, has an earned foreign degree.~~

~~(f) Applicants seeking to sit for subsequent CPA examinations shall submit a completed signed and notarized Form NHBOA-1S, including all required attachments.~~

~~(g) Form NHBOA-1S, "Re-application to sit for the CPA Examination", shall be received by 3/15 for the May exam and 9/15 for the November exam.~~

~~(h) The applicant shall submit the following information on Form NHBOA-1S:~~

- ~~(1) Name and former names, if applicable;~~
- ~~(2) Social Security number;~~
- ~~(3) Mailing address;~~
- ~~(4) Current employer;~~
- ~~(5) Where and when applicant has previously taken the CPA examination and the results thereof;~~
- ~~(6) Those portions of the CPA examination for which the applicant will sit;~~
- ~~(7) Whether the applicant has been barred from sitting for the American Institute of Certified Public Accountants (AICPA) Uniform Examination in any other state or jurisdiction; and~~
- ~~(8) Attestation by the applicant that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.~~

~~(i) The applicant shall attach to the following Form NHBOA-1S:~~

- ~~(1) The fee specified in Ac 301.02;~~
- ~~(2) Two passport size photographs of the applicant; and~~
- ~~(3) "Authorization for Interstate Exchange", Form NHBOA-5, if candidate has taken the CPA examination in another jurisdiction since last taking the exam in New Hampshire.~~

~~(j) Applicants for initial certification in this state who do not currently hold certification from another jurisdiction, shall submit a completed Form NHBOA-2, "Application for a Certificate as a Certified Public Accountant", including all required attachments.~~

~~(k) The applicant shall supply the following on Form NHBOA-2:~~

- ~~(1) Name and former names, if applicable;~~
- ~~(2) Social Security number;~~
- ~~(3) Date of birth;~~
- ~~(4) Place of birth;~~

~~(5) Mailing address;~~

~~(6) Post secondary education;~~

~~(7) Public accounting experience;~~

~~(8) Current employer;~~

~~(9) Whether the applicant has been expelled or suspended from any board of accountancy or professional society and whether the application has had certification, licensure or a permit revoked or suspended by any board of accountancy.~~

~~(10) Whether the applicant has been convicted of a felony or convicted of a misdemeanor involving fraud;~~

~~(11) Name, occupation, address and years known of 3 individuals who have known the applicant for 3 or more years, who are not related or employers; and~~

~~(12) Attestation by the applicant that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.~~

~~(1) The applicant shall supply the following attached to Form NHBOA-2:~~

~~(1) The fee specified in Ac 301.02;~~

~~(2) Authorization for Criminal Background Check on Form NHBOA-8;~~

~~(3) Three character reference letters using Form NHBOA-6;~~

~~(4) Experience letters using Form NHBOA-7 or NHBOA-7g;~~

~~(5) If any portion of the CPA Exam was passed in another jurisdiction, "Authorization for Interstate Exchange", Form NHBOA-5; and~~

~~(6) Official college transcripts.~~

~~——(m) Applicants applying for certificate and permit based on reciprocity shall submit a completed Form NHBOA-3, "Application for a Certificate as a Certified Public Accountant by Reciprocity", including all required attachments.~~

~~——(n) The applicant shall supply the following information on Form NHBOA-3:~~

~~(1) Name and former names, if applicable;~~

~~(2) Social Security number;~~

~~(3) Date of birth;~~

~~(4) Place of birth;~~

~~(5) Mailing address;~~

~~(6) Current employer;~~

~~(7) When and where applicant sat and passed CPA exam;~~

~~(8) Public accounting experience;~~

~~(9) Education;~~

~~(10) Whether the applicant has been expelled or suspended from any board of accountancy or professional society and whether the applicant has had certification licensure or a permit revoked or suspended by any board of accountancy;~~

~~(11) Whether the applicant has been convicted of a felony or convicted of a misdemeanor involving fraud;~~

~~(12) Name, occupation, address and years known of 3 individuals who have known the applicant for 3 or more years, who are not related or employers; and~~

~~(13) Attestation by the applicant that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.~~

~~(o) The applicant shall submit the following attachments with Form NHBOA-3:~~

~~(1) The fee specified in Ac 301.02;~~

~~(2) Authorization for criminal background check;~~

~~(3) Authorization for Interstate Exchange NHBOA-5;~~

~~(4) Three character reference letters Form NHBOA-6;~~

~~(5) Experience letters Form NHBOA-7 or NHBOA-7g; and~~

~~(6) Official college transcripts.~~

~~(p) Applicants who possessed a New Hampshire permit which is no longer in force and who seek re-certification shall submit a completed Form NHBOA-4, "Application for Re-Certification", including all required attachments.~~

~~(q) The applicant shall supply the following information on Form NHBOA 4:~~

- ~~(1) Name and former names, if applicable;~~
- ~~(2) Social Security number;~~
- ~~(3) Date of birth;~~
- ~~(4) Place of birth;~~
- ~~(5) Mailing address;~~
- ~~(6) Current employer;~~
- ~~(7) Whether the applicant has been expelled or suspended from any board of accountancy or professional society and whether the applicant has had certification licensure or a permit revoked or suspended by any board of accountancy.~~
- ~~(8) Whether the applicant has been convicted of a felony or convicted of a misdemeanor involving fraud; and~~
- ~~(9) Attestation by the applicant that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.~~

~~(r) The applicant shall submit the following attachments with Form NHBOA 4:~~

- ~~(1) The fee specified in Ac 301.02;~~
- ~~(2) Authorization for criminal background check; and~~
- ~~(3) Evidence of compliance with continuing professional education submitted on Forms NHBOA 9 and 9a.~~

~~——(s) If the applicant is required to submit NHBOA 5, Authorization for Interstate Exchange, the form shall contain the following information:~~

- ~~(1) Name and former names, if applicable;~~
- ~~(2) Social Security number;~~
- ~~(3) Date of birth;~~
- ~~(4) Current mailing address;~~
- ~~(5) Applicant's authorization to the board of accountancy from which the~~

~~applicant is requesting information to release all requested information;~~

~~(6) List of all grades from the CPA examination;~~

~~(7) Verification whether applicant was ever denied admission to the CPA examination; and~~

~~(8) If applicant has not completed the CPA examination, verification of any restrictions preventing him/her from sitting in that state;~~

~~—— (t) If applicant is certified as a certified public accountant, the following shall also be provided on Form NHBOA-5:~~

~~—— (1) Whether or not the applicant's certificate is in good standing;~~

~~—— (2) Whether or not the applicant is authorized to practice public accounting in that state;~~

~~—— (3) If applicant is current, when current license/certificate or permit expires; and~~

~~—— (4) If applicant does not hold a current license/certificate or permit to practice public accountancy, a brief description of what requirements must be met to re-instate the license/certificate or permit.~~

~~—— (u) If an applicant is required to submit NHBOA-6 the following information shall be supplied on the form:~~

~~—— (1) Current date;~~

~~—— (2) Applicants name;~~

~~—— (3) Current address;~~

~~—— (4) Reference's name;~~

~~—— (5) Reference's address; and~~

~~—— (6) Brief written statement concerning the applicant's character.~~

Ac 301.01 Purpose. The purpose of this part is to describe the process by which an applicant applies to the board either for a certificate to practice as a CPA in the state of New Hampshire or for the registration of a firm to engage in an accounting business in New Hampshire.

Readopt with amendment Ac 301.02, and Ac 301.03, eff. 3-8-2002 (Doc. #7659) to

read as follows:

Ac 301.02 CPA Certification Process Overview. Each person seeking a New Hampshire certificate to practice as a CPA shall:

(a) Meet the education requirements set forth in RSA 309-B:5, III, and in Ac 302.02. Such education shall be obtained prior to sitting for the applicable CPA exam;

(b) Meet the experience requirements set forth RSA 309-B:5, IX or X, or a combination of both provided that the minimum amount of experience is documented, and in Ac 302.03;

(c) Take and pass the required applicable CPA examination, the requirements for which shall be the following:

(1) The Uniform Certified Public Accountant Examination created and graded by the American Institute of Certified Public Accountants (AICPA) and administered by the National Association of State Boards of Accountancy (NASBA) for each applicant who is not licensed as a:

- a. Certified Public Accountant (CPA) in any jurisdiction in the United States;
- b. Certified Practising Accountant (CPA) in Australia;
- c. Chartered Accountant (CA) in Canada, Australia, or Ireland; or
- d. Contadores Publicos Certificado (CPC) in Mexico;

(2) The International Qualifications Examination administered by NASBA for each applicant who is licensed as a CPA in any jurisdiction in the United States or Australia, as a CA in Canada, Australia, or Ireland, or as a CPC in Mexico and who seeks licensure by reciprocity;

(3) Each applicant shall contact the National Association of State Boards of Accountancy (NASBA) to apply to sit for the exam;

(4) Applications shall include the payment of the fee required by NASBA, as well as the provision of any documents required by NASBA to determine the applicant's eligibility, in accordance with these rules, to sit for the exam;

(5) Once the applicant is determined to be eligible to sit for the exam, NASBA shall send a Notice to Schedule (NTS) to the applicant;

(6) Once the applicant receives the NTS, the applicant shall make arrangements to schedule and sit for the exam within 6 months of the issue date on the NTS;

(7) The board shall refer all inquiries regarding such arrangements directly to NASBA; and

(8) The applicant shall direct all communication regarding:

- a. All aspects of the administration of the examination to NASBA; and
- b. Unresolved conflicts between the applicant and NASBA to the board.

(d) For an initial certification, submit an application package to the board that shall include:

(1) A fully completed application form, NHBOA-1, including all required attachments, as described in Ac 301.04;

(2) A minimum of 3 character reference forms, NHBOA-2, as described in Ac 301.06;

(3) Verification of education, which shall include:

- a. If the applicant received his or her education in the United States, an official, sealed transcript from an accredited college or university in the United States and which contains enough information for the board to determine whether the applicant met the New Hampshire education requirements that were in effect at the time the applicant first sat for the applicable CPA examination; or
- b. If an applicant received his or her education outside the United States, an evaluation from any academic credential evaluation service that has been approved by NASBA and which contains the following information so that the board can determine whether the applicant met the New Hampshire education requirements that were in effect at the time the applicant first sat for the applicable CPA examination:
 - 1. An equivalency summary that indicates the analogous academic degrees in the United States the applicant holds;
 - 2. A credential analysis that specifies:
 - (i) The name of the country;
 - (ii) The degree awarded;
 - (iii) The year the degree was awarded; and

- (iv) The entity that awarded the degree;
- 3. A course-by-course listing; and
- 4. A course credit analysis that includes:
 - (i) Total credits earned toward the degree as stated on transcripts submitted;
 - (ii) Total accounting credits earned; and
 - (iii) Total business credits earned;
- (4) Verification of experience, which shall include:
 - a. Public accounting experience documented using form NHBOA-3A, as described in Ac 301.07; or
 - b. Governmental accounting experience documented using form NHBOA-3B as described in Ac 301.08; or
 - c. A combination of public and governmental accounting experience using the forms described in a. and b. above, provided that the total amount of experience meets the minimum amount of experience required by RSA 309-B:5;
- (5) If the applicant sat for the applicable CPA examination in another state, a fully completed authorization for interstate exchange of information, form NHBOA-4 as described in Ac 301.09;
- (6) A photocopy of each verifying CPA, CA, or CPC's:
 - a. Driver's license clearly showing such person's photograph, identification information, and signature; or
 - b. Passport clearly showing such person's photograph, identification information, and signature; and
- (7) The application fee required pursuant to RSA 309-B:4, VIII(h) and as specified in Ac 301.14;
- (e) For a reciprocity certification, submit an application package that shall include:
 - (1) A fully completed application form, NHBOA-1R, including all required attachments, as described in Ac 301.05;
 - (2) One of the following:

- a. If the applicant received his or her education in the United States, an official, sealed transcript from an accredited college or university in the United States and which contains enough information for the board to determine whether the applicant met the New Hampshire education requirements that were in effect at the time the applicant first sat for the applicable CPA examination; or
 - b. If an applicant received his or her education outside the United States, an evaluation from any academic credential evaluation service that has been approved by NASBA and which contains the following information so that the board can determine whether the applicant met the New Hampshire education requirements that were in effect at the time the applicant first sat for the applicable CPA examination:
 - 1. An equivalency summary that indicates the analogous academic degrees in the United States the applicant holds;
 - 2. A credential analysis that specifies:
 - (i) The name of the country;
 - (ii) The degree awarded;
 - (iii) The year the degree was awarded; and
 - (iv) The entity that awarded the degree;
 - 3. A course-by-course listing; and
 - 4. A course credit analysis that includes:
 - (i) Total credits earned toward the degree as stated on transcripts submitted;
 - (ii) Total accounting credits earned; and
 - (iii) Total business credits earned;
- (3) Verification of experience, which shall include:
- a. Public accounting experience documented using form NHBOA-3A, as described in Ac 301.07 or have been active in practice for at least 4 of the 10 years immediately preceding the application; or
 - b. Governmental accounting experience documented using form

NHBOA-3B as described in Ac 301.08; or

- c. A combination of public and governmental accounting experience using the forms described in a. and b. above, provided that the total amount of experience meets the minimum amount of experience required by RSA 309-B:5;

(4) As an alternative to (3) above that shall be used only if the applicant is unable to provide the verification of experience as required by (3) above, proof of:

- a. Passing, within the 10 years immediately preceding the application, the examination on which the certificate was based pursuant to RSA 309-B:7, III(b); and
- b. Having acquired at least 4 years' public accounting experience outside New Hampshire after passing the examination required pursuant to a. above;

(5) A fully completed Authorization for Interstate Exchange of Information, form NHBOA-4, as described in Ac 301.09;

(6) A photocopy of each verifying CPA, CA, or CPC's:

- a. Driver's license clearly showing such person's photograph, identification information, and signature; or
- b. Passport clearly showing such person's photograph, identification information, and signature; and

(7) The application fee required pursuant to RSA 309-B:4, VIII(h) and as specified in Ac 301.14; and

(f) Personally appear before the board or a designee of the board if the board determines that there are any questions regarding any aspect of the application that cannot be completely resolved without such a personal appearance.

Ac 301.03 Requirements for Forms and Other Submissions. All forms and other documents submitted to the board pursuant to Ac 300 shall:

(a) Be written in English unless the original document is in another language, in which case a copy of the document in its original language shall be accompanied by a translation that has been attested to by the person who translated the document as being accurate and complete; and

(b) Except for signatures and dates of signatures, not be handwritten. The board shall accept forms and other documents that have been produced through the use of a computer, typewriter, or some other process that produces similarly legible and uniform

text.

Readopt with amendment Ac 301.04 – Ac 304 , eff. 1-26-2007 (Doc. #8810) to read as follows:

~~Ac 301.04 Personal Appearance. The board shall require any person making any application under Ac 301.01 to appear personally before the board to provide additional information concerning the applicant's qualifications, if the information in the application is incomplete or unclear in its final form.~~

~~Ac 301.05 Practice Unit Registration. Every practice unit shall register with the board as set forth in Ac 401.03.~~

~~PART Ac 302 QUALIFICATIONS~~

~~Ac 302.01 Education. As used in this part, "accreditation" means the process of quality control of the education process.~~

~~Ac 302.02 Courses.~~

~~(a) Pursuant to RSA 309-B:4, III(b), applicants submitting initial applications to take the CPA examination on or after January 1, 1996 shall:~~

~~(1) Have a baccalaureate degree from an accredited educational institution;
and~~

~~(2) Have successfully completed 24 semester hours of business-related courses from an accredited educational institution which shall include 12 semester hours of accounting courses from an accredited educational institution.~~

~~(b) As used in this part, an educational institution shall be considered accredited if:~~

~~(1) Approved by a member of a regional or national accrediting agency that is recognized by the United States department of education; or~~

~~(2) Approved by the American Assembly Of Collegiate Schools (AACSB).~~

~~(c) A candidate shall be considered as graduating from an accredited educational institution if, at the time the educational institution grants the applicant's degree, it is accredited as outlined in this part.~~

~~(d) If an educational institution was not accredited at the time an applicant's~~

~~degree was received, but is so accredited at the time the application is filed with the board, the institution shall be deemed to be accredited for the purpose of (c) above, provided that it:~~

~~(1) Certifies that the applicant's total educational program would qualify the applicant for graduation with a baccalaureate degree during the time the institution has been accredited; and~~

~~(2) Furnishes the board with college catalogue course numbers and descriptions, demonstrating that the pre-accrediting courses are substantially equivalent to post-accrediting courses.~~

~~(e) If an applicant's degree was received at an accredited educational institution pursuant to (c) or (d) above, but contained course work, taken at a non-accredited institution, such courses shall be deemed to have been taken at the accredited institution from which applicant's degree was received, provided the accredited institution either:~~

~~(1) Has accepted such courses by including them in its official transcript; or~~

~~(2) Has certified to the board that it will accept such courses for credit toward graduation.~~

~~(f) A graduate of a 4 year degree granting college or university not accredited at the time applicant's degree was received or at the time the application was filed shall be deemed to be a graduate of an accredited educational institution if:~~

~~(1) A credentials evaluation service approved by the board certifies that the applicant's degree is equivalent to a degree from an accredited educational institution;~~

~~(2) An accredited educational institution, accepts applicant's non-accredited baccalaureate degree for admission to a graduate business degree program;~~

~~(3) The accredited educational institution certifies that the applicant has been accepted into the graduate program; and~~

~~(4) The applicant has satisfactorily completed at least 24 semester hours of business of which 12 shall be in accounting from the baccalaureate or post baccalaureate education.~~

~~Ac 302.03 Applicant Qualifications. Applicants for certification, either initial or reciprocity, shall satisfy the following qualifications:~~

~~(a) Education as set forth in Ac 302.02;~~

~~(b) Examination as set forth in Ac 303;~~

~~(c) Experience as set forth in Ac 302.04; and~~

~~(d) Evidence of good character as set forth in Ac 302.05.~~

~~Ac 302.04 Experience Required for Initial Certificate and License. The experience requirement for the issuance of a certificate and license to practice pursuant to RSA 309-B: 4, VII and VIII, shall be as follows:~~

~~(a) In the instance of public accounting the following shall be for purposes of clarification of the following terms:~~

~~(1) A "year of full time employment" means 12 calendar months as an employee of a practice unit and shall include at least 1,500 hours of service involving accounting or auditing skills;~~

~~(2) "Accounting or Auditing Skills" means the issuance of reports on financial statements, financial management advisory services, financial consulting and advisory services, and tax consulting and return preparation; and~~

~~(3) In the case of non full time employment, a year, for the purpose of accumulating the required experience, means 2,080 hours of compensated employment and at least 1,500 hours of services involving accounting or auditing skills and shall be no shorter than 12 calendar months. For purposes of such calculations, only employment rendered in the 6 years, or 5 years in the case of RSA 309-B:4, VII (b), prior to filing the application for certification shall be included.~~

~~(b) The applicant shall show that he or she been employed by a practice unit, under the direction of a licensee, as provided under RSA 309-B:4, VII. Such employment shall consist solely of rendering the kinds of services identified in RSA 309-B: 4, VII and VIII.~~

~~(c) The applicant shall demonstrate that the experience acquired in public accounting has been fulfilled by providing to the board from the employer Form NHBOA 7 containing the following information:~~

~~(1) Dates of applicant's employment;~~

~~(2) Number of hours of work in each accounting or auditing skill; and~~

~~(3) Employer/Licensee's certificate number.~~

~~(d) The applicant shall demonstrate the following minimum experience requirement:~~

~~(1) For an applicant for an initial license with a four year degree as defined in RSA 309-B: 4, VII (a), 2 years of experience; and~~

~~(2) For an applicant for an initial license with a masters degree in accounting, taxation, finance or business administration, one year of experience.~~

~~(e) Any licensee who has been requested to submit to the board evidence of the applicant's experience and who has refused to do so shall explain either in writing or in person the basis for such refusal.~~

~~(f) The board shall inspect, either by the board itself or by its representative, documentation relating to an applicant's claimed experience, in which case any licensee having custody of such documentation shall be requested to produce it either in writing or in person.~~

~~(g) Failure of a licensee to provide full and correct information as required herein shall serve as a basis for disciplinary proceedings against the licensee under RSA 309-B:6.~~

~~(h) Pursuant to RSA 309-B:4, VIII, experience claimed while employed by a governmental body or agency, shall be under the direction of a licensee.~~

~~(i) The following shall satisfy the experience requirement set forth in RSA 309-B:4, VIII:~~

~~(1) Auditing the tax returns, or books and accounts of nongovernmental entities in 3 or more distinct lines of commercial or industrial business in accordance with generally accepted auditing standards; or~~

~~(2) Auditing the books and accounts or activities of 3 or more governmental agencies or distinct organizational units in accordance with generally accepted auditing standards, and reporting on their operations to a third party, to Congress or to a state legislature; or~~

~~(3) Reviewing financial statements and supporting material covering the financial condition and operations of nongovernmental entities engaged in 3 or more distinct lines of commercial or industrial business to determine the reliability and fairness of the financial reporting and compliance with generally accepted accounting principles and applicable government regulations for the protection of investors and consumers.~~

~~(j) The board shall require such documentation such as working papers or audit programs as is necessary to determine compliance with RSA 309-B:4, VII and VIII.~~

~~(k) The applicant shall demonstrate that the experience acquired in government has been fulfilled by providing the board, from the employer Form NHBOA 7g, the following information:~~

~~(1) Dates of applicant's employment;~~

~~(2) A detailed letter, addressed to the NH board of accountancy, evidencing~~

~~compliance with one or more of the 3 subsections in RSA 309-B:4 VIII, signed by the individual certified public accountant or public accountant responsible for the applicants experience; and~~

~~(3) Employer/Licensee's certificate number and date of expiration.~~

~~(1) Form NHBOA-7g shall be signed by the employer/licensee attesting that the information contained in the employment letter is true and correct to the best of the applicants knowledge and belief.~~

~~Ac 302.05 Character.~~

~~(a) For the purpose of this section "good character" means "good character" as defined in RSA 309-B:4, II~~

~~(b) The board shall refuse to grant a certificate on the ground of failure to satisfy this requirement only if:~~

~~(1) There is a substantial connection between the lack of good character of the applicant and the professional responsibilities of a licensee; and~~

~~(2) If finding by the board of lack of good character is supported by clear and convincing evidence.~~

~~(c) When an applicant is found to be unqualified for a certificate because of a lack of good character, the board shall furnish the applicant:~~

~~(1) A statement containing the findings of the board;~~

~~(2) A complete record of the evidence upon which the determination was based; and~~

~~(3) A notice of the applicant's right of appeal under Ac 200.~~

~~PART Ac 303 EXAMINATION~~

~~Ac 303.01 Destruction of Examination Papers. The board shall authorize the National Association of State Boards of Accountancy to destroy examination papers after 90 days from the release of grades.~~

~~Ac 303.02 Conditional Passing of Exam.~~

~~(a) A candidate shall pass all sections of the examination in order to qualify for a certificate. A grade of 75 shall be considered passing.~~

~~(b) At any sitting the candidate shall sit for all parts of the exam not passed.~~

~~(c) If, at a given sitting of the examination, a candidate passes 2 or more, but not all sections, the candidate shall be given credit for those sections passed.~~

~~(d) However, if a candidate does not obtain a grade of 50 on those sections not passed the candidate shall sit for all sections upon reexamination.~~

~~(e) The candidate shall be required to sit for reexamination in those sections not passed provided, however, that:~~

~~(1) The candidate attained a minimum grade of 50 on each section not passed at that sitting; and~~

~~(2) The candidate passes all remaining sections of the examination within 5 years after the date at which the first sections were passed.~~

~~Ac 303.03 Conduct During an Examination.~~

~~(a) If, after notice and opportunity for a hearing, pursuant to Ac 200, the board determines that a candidate cheated during the examination, he or she shall be prohibited from sitting for the examination for a period of 5 years.~~

~~(b) Conduct that shall be considered cheating by the board includes, but is not limited to, the following:~~

~~(1) Conduct which violates the security of the examination materials, such as removing work papers or test booklets from the examination room;~~

~~(2) Selling, distributing, buying, receiving or having unauthorized possession of any portion of a future or current licensing CPA examination;~~

~~(3) Conduct which violates the standards of test administration, such as:~~

~~a. Communicating with any other examinee during the administration of the CPA examination;~~

~~b. Copying answers from another examinee; or~~

~~c. Permitting one's answers to be copied by another examinee during the administration of the CPA examination;~~

~~(4) Having in one's possession during the administration of the licensing examination any books, notes, written or printed materials or data of any kind, relative to the subject matter being tested other than the examination materials distributed;~~

~~(5) Conduct which violates the credentialing process, such as falsifying or misrepresenting education credentials or other information required for admission to the CPA examination; and~~

~~(6) Impersonating an examinee or having an impersonator take the CPA~~

~~examination on one's own behalf.~~

~~Ac 303.04 Required Examination.~~

~~(a) The Uniform Certified Public Accountant Examination and Advisory Grading Service shall be used for examination in the following subjects pursuant to RSA 309-B: 4, IV:~~

~~(1) Business law and professional responsibilities;~~

~~(2) Auditing;~~

~~(3) Accounting and reporting—taxation, managerial and governmental and not for profit organizations; and~~

~~(4) Financial accounting and reporting—business enterprises.~~

~~(b) The business law and professional responsibilities section shall assess candidates' knowledge of the CPA's professional responsibilities and the legal implications of business transactions, particularly as they relate to accounting and auditing. This section shall cover federal and widely adopted uniform laws. If there is no federal or uniform law on a subject, the questions shall test knowledge of the majority law. Federal taxation shall be covered where appropriate in the overall context of a question. Professional ethics questions shall be based on the AICPA Code of Professional Conduct.~~

~~(c) The auditing section shall assess candidates' knowledge of generally accepted auditing standards and procedures. The majority of the answers to the questions in this section may be found in the Statements on Auditing Standards and, answers to the remainder of the questions may be found in the Statements on Standards for Accounting and Review Services, Statements on Quality Control Standards, Statements on Standards for Attestation Engagements, Statement on Standards for Accountants' Services on Prospective Financial Information, U.S. General Accounting Office Government Auditing Standards, and the AICPA Audit and Accounting Guide Series. Questions in the auditing section shall require knowledge of generally accepted accounting principles.~~

~~(d) The accounting and reporting—taxation, managerial, and governmental and not for profit organizations section shall assess candidates' knowledge of federal taxation, managerial accounting, and accounting for governmental and not for profit organizations. This section shall include the underlying theory and its application in federal taxation, managerial accounting, and governmental and not for profit accounting. Candidates shall be provided with calculators to be used for numerical computations at the examination site.~~

~~(e) The financial accounting and reporting—business enterprises section shall assess candidates' knowledge of generally accepted accounting principles for business enterprises. This section shall include financial accounting theory and its application.~~

~~Candidates shall be provided with calculators to be used for numerical computations at the examination site.~~

~~Ac 303.05 Notification of the Uniform Certified Public Accountant Examination. The examination shall be given at the location specified in the notification to candidate. The dates and times specified by the American Institute of Certified Public Accountants, shall also be stated in the notification to candidates. This notice shall be sent prior to the examination.~~

~~PART Ac 304 RECIPROCITY~~

~~Ac 304.01 Reciprocity. Applicants for certification by New Hampshire based on reciprocity shall:~~

- ~~(a) Be currently licensed to practice as either a certified public accountant or a public accountant, from another state or jurisdiction;~~
- ~~(b) Have successfully completed the CPA examination. Successful completion of the examination means that the applicant passed the examination in accordance with the rules of New Hampshire at the time the other state granted the applicant's initial certificate;~~
- ~~(c) Have met the education requirements of RSA 309 B:4 and Ac 300;~~
- ~~(d) Have experience of the type required under RSA 309 B:4 and Ac 300;~~
- ~~(e) Have met the CPE requirement pursuant to RSA 309 B:4 and Ac 400; and~~
- ~~(f) Have met the good character provisions of RSA 309 B:4.~~

~~Ac 304.02 Exception To Reciprocity. Any applicant for certification by New Hampshire based on reciprocity who does not meet the provision of Ac 304.01 shall nonetheless qualify for reciprocity if any of the following provisions are satisfied:~~

- ~~(a) Meets all current requirements of New Hampshire for issuance of a certificate at the time application is made;~~
- ~~(b) At the time of the issuance of the applicant's certificate in the other state, met all such requirements then applicable in New Hampshire; or~~
- ~~(c) Had five years of experience outside of New Hampshire in the practice of public accountancy, after passing the examination upon which the applicant's certificate was based and within the ten years immediately preceding the application.~~

~~Ac 304.03 Reciprocity By Other States.~~

- ~~(a) Reciprocity provided for shall be available only if the other state has a reciprocity rule similar to the New Hampshire reciprocity rule upon which the applicant~~

is relying.

Ac 304.04 International Reciprocity.

(a) ~~The board shall designate a professional accounting credential issued in a foreign country as substantially equivalent to a CPA certificate if the requirements of this section and RSA 309-B:5,X are met.~~

(b) ~~The board shall rely on the National Association of State Boards of Accountancy, the American Institute of Certified Public Accountants, or other professional bodies for evaluation of foreign credential equivalency.~~

(c) ~~The board shall accept a foreign accounting credential in partial satisfaction of its domestic credentialing requirements if:~~

(1) ~~The holder of the foreign accounting credential met the issuing body's education requirement and passed the issuing body's examination used to qualify its own domestic candidates; and~~

(2) ~~The foreign credential is valid and in good standing at the time of the application for a domestic credential.~~

(d) ~~The board shall require that the holder of a foreign credential deemed by the board to be substantially equivalent to a CPA certificate, who applies for a CPA certificate, take and successfully pass a qualifying examination(s) to ascertain that the holder of the foreign credential possesses adequate knowledge of U.S. practice standards. The board shall rely on the National Association of State Boards of Accountancy, the American Institute of Certified Public Accountants, or other professional bodies to develop, administer and grade such qualifying examination(s).~~

(e) ~~An applicant for renewal of a CPA certificate originally issued in reliance on a foreign accounting credential shall:~~

(1) ~~Make application for renewal at the time and in the manner prescribed by the board for all other certificate renewals;~~

(2) ~~Pay such fees as are prescribed for all other certificate renewals;~~

(3) ~~If the applicant has a foreign credential in effect at the time of the application for renewal of the CPA certification, present documentation from the foreign accounting credential issuing body that the applicant's foreign credential has not been suspended or revoked and the applicant is not the subject of a current investigation. If the applicant for renewal no longer has a foreign credential, the applicant shall present proof from the foreign credentialing body that the applicant for renewal was not the subject of any disciplinary proceedings or investigations at the time that the foreign credential lapsed; and~~

~~(4) Either show completion of 120 hours of continuing professional education within the 3 year period preceding renewal application, or petition the board for complete or partial waiver of the CPE requirement on the ratio of foreign practice to practice in this state.~~

~~(f) The holder of a CPA certificate issued in reliance on a foreign accounting credential shall report any investigations undertaken, or sanctions imposed by a foreign credentialing body against the CPA's foreign credential.~~

~~(g) Suspension or revocation of, or refusal to renew, the CPA's foreign accounting credential by the foreign credentialing body shall be evidence of conduct reflecting adversely upon the CPA's fitness to retain the certificate and shall be a basis for board action if the suspension or revocation was based on a violation or violations similar to a violation or violations listed in RSA 309-B:6.~~

~~(h) Conviction of a felony or any crime involving dishonesty or fraud under the laws of a foreign country shall be evidence of conduct reflecting adversely on the CPA's fitness to retain the certificate and shall be a basis for board action.~~

~~(i) The board shall notify the appropriate foreign credentialing authorities of any sanctions imposed against a CPA.~~

~~(j) The board shall participate in joint investigations with foreign credentialing bodies and shall rely on evidence supplied by such bodies in disciplinary hearings.~~

Ac 301.04 Application for Initial Certification as CPA, Form NHBOA-1. Each applicant for an initial certification as a CPA shall provide the following on or with form NHBOA-1:

- (a) The applicant's personal information, which shall include his or her:
 - (1) Full legal name as it appears on the applicant's passport, if not a US citizen, or driver's license if a US citizen, as well as any other name by which the applicant has been known, including maiden name;
 - (2) Residential and complete mailing addresses including the name of the business if the mailing address is for business;
 - (3) Telephone number and e-mail address;
 - (4) Date of birth;
 - (5) Place of birth, including the name of the city or town, the name of the state or province, and the name of the country; and
 - (6) If a United States citizen or a legal United States resident, Social Security Number, as required pursuant to RSA 161-B:11, VI-a;

- (b) A photocopy of the applicant's:
 - (1) Driver's license clearly showing such person's photograph, identification information, and signature; or
 - (2) Passport clearly showing such person's photograph, identification information, and signature;
- (c) The name, address, and telephone number of the applicant's current employer;
- (d) Every date on and state in which the applicant sat for and passed any portion of the applicable CPA examination;
- (e) An updated list of post-secondary schools attended and degrees earned between the time of applying to sit for the CPA examination and applying for certification;
- (f) A statement as to whether the applicant has ever been disciplined, suspended, or expelled from any professional organization;
- (g) A chronological summary of the applicant's public and governmental accounting experience that includes:
 - (1) The applicant's position title;
 - (2) The beginning and ending dates of such employment;
 - (3) The name of the employer; and
 - (4) The address of the employer;
- (h) A summary of the character references that includes:
 - (1) The name and address of the person providing the character reference;
 - (2) The occupation of the person providing the character reference; and
 - (3) The number of years that the person providing the character reference has known the applicant;
- (i) A statement as to whether the applicant has ever been convicted of a felony that has not been annulled or committed any dishonest act. If the applicant responds in the affirmative, the applicant shall provide a complete description of the circumstances surrounding such conviction, act, or both, omitting no material fact;
- (j) At least 3 character references, using a separate form NHBOA-2 for each;
- (k) Verification of accounting experience, using forms NHBOA-3A and

NHBOA-3B, as appropriate;

(l) If the applicant passed the applicable CPA examination in a state other than New Hampshire, the applicant also shall:

- (1) Indicate each state in, and date on, which he or she sat for any part of the applicable CPA examination;
- (2) Indicate whether he or she has ever been licensed, as that term is defined in RSA 541-A:1, VIII, in any state, and if so which state or states;
- (3) Indicate the status of each CPA license disclosed pursuant to (2) above that the applicant currently holds or has held;
- (4) Provide a summary of the applicant's education, which shall include:
 - a. The full name of the educational institution attended or the special training received;
 - b. The location at which such education or special training was obtained;
 - c. The beginning and ending attendance dates;
 - d. The date the applicant graduated or completed the training; and
 - e. The degree or other recognition awarded;
- (5) Provide documentary evidence demonstrating that the applicant satisfies the New Hampshire CPA education requirements, which shall be in the form of one of the following:
 - a. If the applicant received his or her education in the United States, an official, sealed transcript from an accredited college or university in the United States and which contains enough information for the board to determine whether the applicant met the New Hampshire education requirements that were in effect at the time the applicant first sat for the applicable CPA examination; or
 - b. If an applicant received his or her education outside the United States, an evaluation from any academic credential evaluation service that has been approved by NASBA and which contains the following information so that the board can determine whether the applicant met the New Hampshire education requirements that were in effect at the time the applicant first sat for the applicable CPA examination:
 1. An equivalency summary that indicates the analogous

academic degrees in the United States the applicant holds;

2. A credential analysis that specifies:
 - (i) The name of the country;
 - (ii) The degree awarded;
 - (iii) The year the degree was awarded; and
 - (iv) The entity that awarded the degree;
3. A course-by-course listing; and
4. A course credit analysis that includes:
 - (i) Total credits earned toward the degree;
 - (ii) Total accounting credits earned; and
 - (iii) Total business credits earned;

(6) A fully completed Authorization for Interstate Exchange of Information, form NHBOA-4, for each state in which the applicant:

- a. Sat for any portion of the applicable CPA examination outside New Hampshire; and
- b. Has ever held a CPA license;

(m) The fee specified in Ac 301.14; and

(n) A certification signed by the applicant indicating that the application is true and correct to the best of the applicants knowledge and belief.

Ac 301.05 Application for Certification as CPA Through Reciprocity, Form NHBOA-1R. Each applicant for certification as a CPA through reciprocity shall provide the following on or with form NHBOA-1R:

- (a) The applicant's personal information, which shall include his or her:
 - (1) Full legal name as it appears on the applicant's passport, if not a US citizen, or driver's license if the US citizen, as well as any other name by which the applicant has been known, including maiden name;
 - (2) Residential and complete mailing addresses including the name of the business if the mailing address is for a business;

- (3) Telephone number and e-mail address;
- (4) Date of birth;
- (5) Place of birth, including the name of the city or town, the name of the state or province, and the name of the country; and
- (7) If a United States citizen or a legal United States resident, Social Security Number, as required pursuant to RSA 161-B:11, VI-a;
- (b) A photocopy of the applicant's:
 - (1) Driver's license clearly showing such person's photograph, identification information, and signature; or
 - (2) Passport clearly showing such person's photograph, identification information, and signature;
- (c) The name, address, and telephone number of the applicant's current employer;
- (d) Each date on, and state in, which the applicant passed any portion of the applicable CPA examination;
- (e) An indication of whether he or she has ever been licensed, as that term is defined in RSA 541-A:1, VIII, in any state, and if so which state or states;
- (f) An indication of the status of each CPA license disclosed pursuant to (d) above that the applicant currently holds or has held;
- (g) The number of hours of continuing professional education (CPE) the applicant has completed, and the time frame in which such CPE was completed;
- (h) A statement as to whether the applicant has ever been disciplined, suspended, or expelled from any professional organization;
- (i) 2 passport-type photographs of the applicant;
- (j) A summary of the applicant's education, which shall include:
 - (1) The full name of the educational institution attended or the special training received;
 - (2) The location at which such education or special training was obtained;
 - (3) The beginning and ending attendance dates;
 - (4) The date the applicant graduated or completed the training; and

(5) The degree or other recognition awarded;

(k) Documentary evidence demonstrating that the applicant satisfies the New Hampshire education requirements, which shall be in the form of one of the following:

(1) If the applicant received his or her education in the United States, an official, sealed transcript from an accredited college or university in the United States and which contains enough information for the board to determine whether the applicant met the New Hampshire education requirements that were in effect at the time the applicant first sat for the applicable CPA examination; or

(2) If an applicant received his or her education outside the United States, an evaluation from any academic credential evaluation service that has been approved by NASBA and which contains the following information so that the board can determine whether the applicant met the New Hampshire education requirements that were in effect at the time the applicant first sat for the applicable CPA examination:

- a. An equivalency summary that indicates the analogous academic degrees in the United States the applicant holds;
- b. A credential analysis that specifies:
 1. The name of the country;
 2. The degree awarded;
 3. The year the degree was awarded; and
 4. The entity that awarded the degree;
- c. A course-by-course listing; and
- d. A course credit analysis that includes:
 1. Total credits earned toward the degree;
 2. Total accounting credits earned; and
 3. Total business credits earned;

(l) A chronological summary of the applicant's public and governmental accounting experience that includes:

- (1) The applicant's position title;
- (2) The beginning and ending dates of such employment;

- (3) The name of the employer; and
- (4) The address of the employer;
- (m) A summary of the character references that includes:
 - (1) The name and address of the person providing the character reference;
 - (2) The occupation of the person providing the character reference; and
 - (3) The number of years that the person providing the character reference has known the applicant;
- (n) A statement as to whether the applicant has ever been convicted of a felony that has not been annulled or committed any dishonest act. If the applicant responds in the affirmative, the applicant shall provide a complete description of the circumstances surrounding such conviction, act, or both, omitting no material fact;
- (o) At least 3 character references, using a separate form NHBOA-2 for each;
- (p) Verification of accounting experience, using forms NHBOA-3A and NHBOA-3B, as appropriate;
- (q) Documents that establish that the applicant has at least 4 years' experience in the 10 years immediately preceding the application, which shall include but not be limited to any one or more of the following to evidence public accounting experience to satisfy RSA 309-B:7, I(b):
 - (1) Copies of the applicant's W2 forms issued by the firm(s) that employed the applicant;
 - (2) Copies of documents prepared by the applicant and filed with the IRS; or
 - (3) One of more letters from the firm or firms that employed the applicant, with each such letter:
 - a. Written on firm letterhead;
 - b. Identifies the applicant by full name and both business and residential addresses;
 - c. Indicating the dates of employment in which the applicant practiced public accounting;
 - d. Signed by a CPA who attests to the accuracy of the information provided;

(r) A fully completed Authorization for Interstate Exchange of Information, form NHBOA-4, for each state in which the applicant:

(1) Sat for any portion of the applicable CPA examination; and

(2) Has ever held a CPA license;

(s) The fee specified in Ac 301.14; and

(t) A certification signed by the applicant indicating that the application is true and correct to the best of the applicants knowledge and belief.

Ac 301.06 Character Reference, Form NHBOA-2. Each applicant for initial certification as a CPA or certification as a CPA through reciprocity shall provide each character reference on a separate form NHBOA-2 that:

(a) Shall include the following information supplied by the applicant:

(1) The applicant's name, residential and e-mail addresses, and telephone number;

(2) Whether the application is being filed for initial certification or certification by reciprocity;

(3) The date the applicant signed the form to the person writing the character reference;

(b) Shall include the following supplied by the person writing the character reference:

(1) The writer's name, residential and e-mail addresses, and telephone number;

(2) The context or contexts in which the writer became acquainted with the applicant;

(3) The nature of the relationship that the writer has with the applicant and the length of time that the writer has known the applicant;

(4) Any information about the applicant that the writer believes supports or detracts from the applicant's good character; and

(5) The writer's signature indicating that the information contained in the reference is true and correct to the best of the writer's knowledge and belief, and the date signed.

Ac 301.07 Public Accounting Experience Verification, Form NHBOA-3A.

(a) Each applicant for initial certification as a CPA or certification as a CPA through reciprocity shall provide verification of public accounting experience, using a separate form NHBOA-3A for each employer, that:

- (1) Includes the applicant's name and relevant dates of employment;
- (2) Is completed by a CPA, CA, or CPC who identifies himself or herself as one or more of the following:
 - a. A CPA in the United States or Australia;
 - b. A CA in Canada, Australia, or Ireland; or
 - c. A CPC in Mexico;
- (3) Provides the following information regarding the CPA, CA, or CPC verifying the applicant's experience:
 - a. The CPA, CA, or CPC's full name;
 - b. The name of the state, province, and country in which the CPA, CA, or CPC is licensed; and
 - c. The date on which such license or certification expires;
- (4) Provides the number of hours of experience the applicant accumulated in each of the following areas of practice:
 - a. Audit, review, financial statements or any report function;
 - b. Management advisory services;
 - c. Financial advisory services;
 - d. Consulting Services;
 - e. Preparation of tax returns;
 - f. Furnishing advice on tax returns;
 - g. Furnishing advice on tax matters;
- (5) Provides the total number of hours the applicant accumulated in the practice areas listed in (4)a. through g. above;
- (6) Provides the total number of hours spent performing other functions including but not limited to:

- a. Administrative functions;
- b. Non-billable projects;
- c. CPE; and
- d. Time off;

(7) Indicates whether the applicant worked full-time or part-time; and

(8) The CPA, CA, or CPC's signature indicating that the information contained in the experience verification is true and correct to the best of the CPA, CA, or CPC's knowledge and belief, and the date signed.

(b) Each applicant for an initial certification as a CPA shall provide as an attachment to form NHBOA-3A a photocopy of each verifying CPA, CA, or CPC's:

- (1) Driver's license clearly showing such person's photograph, identification information, and signature; or
- (2) Passport clearly showing such person's photograph, identification information, and signature.

(c) Each applicant for an initial certification as a CPA or certification as a CPA through reciprocity shall provide verification of the CPA, CA, or CPC's license status from the licensing body that licensed the applicant and that includes:

- (1) The full name of such CPA, CA, or CPC;
- (2) The date on which certification or licensure began and the current expiration date; and
- (3) A statement as to whether the CPA, CA, or CPC is current and in good standing.

(d) Each applicant for initial certification as a CPA or certification as a CPA through reciprocity shall provide a cover letter for each separate form NHBOA-3A submitted. Each such letter shall be signed by the same person who signed NHBOA-3A as required by (a)(8) above.

(e) Each cover letter required pursuant to (b) above, shall:

- (1) Be on the employer's letterhead;
- (2) Identify the applicant for whom verification is being provided;
- (3) Contain the following statements:

“I have read RSA 309-B:5, IX and I understand it is my responsibility as a Certified Public Accountant or a Public Accountant in the United States and its territories, a Certified Practising Accountant from Australia, Chartered Accountant from Canada, Chartered Accountant from Ireland, or Contadores Publicos Certificado from Mexico (please choose the appropriate title), to professionally prepare the above named individual to enable this person to meet those experience requirements. This experience should make an individual proficient in the practice of public accounting.

“I hereby attest to the fact that I have read RSA 309-B:5, IX, understand its requirements and certify that the above named individual has obtained the full experience or partial experience (please choose the appropriate one), from this organization to meet those requirements, and has demonstrated to me personally that they have been proficient in their performance.”

- (4) Have the printed name, title, and address of the CPA, CA, or CPC verifying that the applicant has accumulated such experience; and
- (5) Be signed by the CPA, CA, or CPC verifying that the applicant has accumulated such experience.

Ac 301.08 Governmental Accounting Experience Verification, Form NHBOA-3B.

(a) Each applicant for initial certification as a CPA or certification as a CPA through reciprocity who has governmental accounting experience shall verify such experience by providing a separate form NHBOA-3B for each governmental employer that:

- (1) Identifies the applicant by first and last name;
- (2) Identifies the government employer and the dates of the applicant's employment;
- (3) Provides the following information regarding the CPA, CA, or CPC who is attesting to the candidate's governmental accounting experience:
 - a. The specific type of licensure held;
 - b. The full first and last name of the CPA, CA, or CPC;
 - c. The position held by the CPA, CA, or CPC in the governmental employer;

- d. The state, jurisdiction, or country in which the CPA, CA, or CPC is licensed to practice; and
 - e. The expiration date of the CPA, CA, or CPC's license;
- (4) Indicates whether the applicant's governmental accounting experience satisfies the requirements of RSA 309-B:5, X(a), (b), or (c), and if so, which;
- (5) If verification of the applicant's governmental accounting experience is claimed to have been satisfied pursuant to RSA 309-B:5, X(a) or (c), a list of at least 3 governmental agencies or distinct organization units through which such experience was obtained;
- (6) If verification of the applicant's governmental accounting experience is claimed to have been satisfied pursuant to RSA 309-B:5, X(b), a list of at least 3 distinct lines of commercial or industrial business through which such experience was obtained;
- (7) The number of hours during which the applicant performed the duties claimed under (5) above or (6) above, or both, in the following areas:
- a. Auditing tax returns or books and accounts of non-governmental entities;
 - b. Auditing the books and accounts or activities of 3 or more governmental agencies or distinct organization units; and
 - c. Reviewing the financial statements and supporting materials covering the financial condition and operations of non-governmental entities engaged in at least 3 distinct lines of commercial or industrial business; and
 - d. All activities not covered under a. – c. above.
- (8) An indication of whether the hours of experience claimed pursuant to (7) above is the actual number or an approximation;
- (9) An indication of whether the applicant practiced full-time or part-time; and
- (10) Includes both the signature and printed name of the individual CPA, CA, or CPC verifying such experience as well as the date of such signature.
- (b) The signature required pursuant to (a)(10) above shall be an attestation that the information contained in the letter is true and correct to the best of the CPA, CA, or CPC's knowledge and belief.
- (c) The applicant shall also obtain from the CPA, CA, or CPC who provides

verification pursuant to (a) above an attestation letter on the official letterhead of the government employer identified in (a)(2) above.

(d) The attestation letter required pursuant to (c) above shall state:

“I have read RSA 309-B:5, X, and understand it is my responsibility as a Certified Public Accountant or Public Accountant in the United States, a Certified Practising Accountant in Australia, CA in Canada, CA in Australia, CA in Ireland, or CPC in Mexico, (please choose the appropriate title), to professionally prepare the above-named individual to enable this person to meet the experience requirement. This experience should make an individual proficient in the practice of public accounting.

“I hereby attest to the fact that I have read RSA 309-B:5, X, and understand its requirements and certify that the above-named individual has obtained the full experience or partial experience (please choose the appropriate one) from this agency to meet those requirements, and has demonstrated to me personally that they have been proficient in their performance.”

(e) To be accepted by the board, the attestation letter shall:

- (1) Comply with (c) and (d) above;
- (2) Be signed by the CPA, CA, or CPC who provided verification pursuant to (a) above; and
- (3) Include the printed name and title of the CPA, CA, or CPC who signed the letter.

Ac 301.09 Authorization for Interstate Exchange of Information, NHBOA-4.

(a) If the applicant is required to submit an Authorization for Interstate Exchange of Information, the applicant shall provide the following on or with form NHBOA-4:

- (1) The applicant's current name and any other names by which the applicant was known, if applicable;
- (2) If a United States citizen or a legal United States resident, the applicant's Social Security Number;
- (3) The applicant's date of birth;
- (4) The applicant's current mailing address;

(5) A fully executed authorization for the release of the following information, verifications, or statements from each other state's board of accountancy to the New Hampshire board:

- a. A complete list of each grade the applicant earned on any part of the applicable CPA examination taken in that state;
- b. A statement as to whether the applicant was ever denied admission to the applicable CPA examination; and
- c. If applicant has not completed the applicable CPA examination, a statement describing any restrictions preventing the applicant from sitting for the applicable CPA examination in that state;
- d. If applicant is licensed as a certified public accountant, the following:
 1. A statement as to whether the applicant's license is in good standing;
 2. A statement as to whether the applicant is authorized to practice public accounting in that state;
 3. If applicant holds a current license, a statement as to when the current license will expire; and
 4. If applicant does not hold a current license to practice public accountancy, a brief description of what requirements the applicant must meet for reinstatement of the license.

Ac 301.10 CPA Firm Permit Overview. Each CPA firm seeking a permit to practice as a CPA firm in New Hampshire shall:

- (a) Demonstrate compliance with the ownership requirements set forth in RSA 309-B:8, III(a);
- (b) Demonstrate that any individual CPA who is responsible for supervising attest services or authorizes someone to sign the accountant's report on the financial statements on behalf of the firm, meets the experience requirements set forth in RSA 309-B:8, III(c);
- (c) Submit a fully completed CPA firm permit application, form NHBOA-5;
- (d) Submit a peer review affidavit, form NHBOA-6, if required pursuant to Ac 405.02;
- (e) Submit a copy of the most recent peer review acceptance letter, if the CPA firm has been issuing reports for 3 or more years, as required pursuant to Ac 405.02;

(f) Submit the application fee required pursuant to RSA 309-B:4, VIII(h) and as specified in Ac 301.14.

Ac 301.11 CPA Firm Permit Application, Form NHBOA-5. Each CPA firm seeking a permit to practice as a CPA firm in New Hampshire shall provide the following on or with form NHBOA-5:

- (a) The complete name of the CPA firm;
- (b) The telephone number, fax number, and principal New Hampshire address of the CPA firm, including:
 - (1) Street and number;
 - (2) City;
 - (3) State; and
 - (4) Zip code;
- (c) An indication of the type of practice by selecting one of the following:
 - (1) Certified Public Accountant(s);
 - (2) Public Accountant(s);
 - (3) Both CPA's and PA's; and
 - (4) CPA's and non-licensee owners;
- (d) A list of all partners, shareholders, or owners, including non-licensee owners, and that specifies:
 - (1) Each such person's name, home address, and home telephone number;
 - (2) Each such person's business address, business telephone number, and business e-mail address; and
 - (3) A description of each person's ownership interest, including percentage of ownership;
- (e) A list of all licensees who work in New Hampshire for the CPA firm, and that specifies:
 - (1) Each such licensee's name;
 - (2) Each such licensee's New Hampshire certificate number; and

- (3) Each such New Hampshire licensee's certificate expiration date;
- (f) A list of every state in which the CPA firm has applied for or holds a permit to practice as a CPA firm;
- (g) A list of every past denial, revocation, suspension, or other disciplinary action taken against the CPA firm's permit to practice in any state;
- (h) If the CPA firm has non-licensees who do not have an ownership interest in the firm, identification of the individual or individuals who will be in charge of all attest services rendered in New Hampshire, including each such licensee's:
 - (1) Full name;
 - (2) Business address, business telephone number, and business e-mail address; and
 - (3) New Hampshire certification number and certification expiration date;
- (i) A copy of the most recent peer review acceptance letter, if the CPA firm has been issuing reports for 3 or more years;
- (j) The affidavit described in Ac 301.12;
- (k) The fee specified in Ac 301.14; and
- (l) A certification signed by an authorized representative of the firm indicating that the application is true and correct to the best of the representative's knowledge and belief.

Ac 301.12 Affidavit for Peer Review, Form NHBOA-6.

- (a) Each CPA firm seeking a permit to practice as a CPA firm in New Hampshire shall submit an affidavit regarding peer review that complies with this section.
- (b) If the CPA firm does not issue the reports, the affidavit shall state, "I hereby certify that this CPA firm is not issuing reports at this time and therefore is exempt from the peer review requirement. I further agree to notify the board within 30 days of my first report engagement and shall schedule a peer review and will obtain an unqualified report within 3 years of the date of the first engagement."
- (c) If the CPA firm has issued its first report less than 3 years prior to the date of the affidavit, such affidavit shall state, "I hereby certify that this CPA firm is currently issuing reports; however, the CPA firm's first engagement occurred less than 3 years prior to the date of the signing of this affidavit. The CPA firm hereby agrees to have a peer review conducted within 3 years of the first report engagement and the date on which such engagement commenced was _____."

(d) If the CPA firm issues reports and has received an unqualified peer review report, the affidavit shall state, "I hereby certify that this CPA firm currently issues reports and that the CPA firm had an unqualified report issued on _____, and the next peer review is scheduled for _____. The date on which the report was issued and the date on which the next peer review is scheduled to commence shall be inserted before the affiant signs the affidavit.

(e) If the CPA firm issues reports and received an adverse or qualified report in its most recent peer review, the affidavit shall state, "I hereby certify that my CPA firm is currently issuing reports and the CPA firm had an adverse or qualified report and is currently taking the necessary steps to obtain an unqualified report. This CPA firm will notify the board and submit a copy of the unqualified report and acceptance letter upon receipt. The expected completion date is _____. The expected completion date shall be inserted before the affiant signs the affidavit.

(f) Each affidavit submitted pursuant to this section shall:

- (1) Include the printed name of the authorized representative of the CPA firm;
- (2) Be signed by the authorized representative, thereby attesting to the accuracy and truthfulness of the affidavit; and
- (3) Include the date the authorized representative signed the affidavit attesting to its accuracy and truthfulness.

Ac 301.13 Notice of Intent to Practice in New Hampshire, NHBOA-7.

(a) Each CPA licensed in another state and whose principal place of business is not in New Hampshire may, pursuant to RSA 309-B:6, I, practice in New Hampshire upon filing a Notice of Intent in accordance with this section and paying the fee specified in Ac 301.14.

(b) Each CPA firm whose CPAs are licensed in another state but seek to practice in New Hampshire shall provide the following on or with form NHBOA-7:

- (1) The name of the firm;
- (2) The firm's complete mailing address and telephone number;
- (3) The organization of the firm indicating whether the firm is:
 - a. A partnership;
 - b. A professional association;
 - c. A proprietorship;

- d. A professional limited liability company;
- e. A professional limited liability partnership; or
- f. Organized in a way not listed in a. - e. above, and if so, a description of its organization;

(4) The complete mailing address of the firm's headquarters, if different from the address listed in (2) above;

(5) Whether the CPA has ever given notice pursuant to RSA 309-B:6, I, to practice in New Hampshire under another name, and if so the name;

(6) An indication of whether each partner, shareholder or the proprietor is licensed in any state as a CPA and is in good standing;

(7) An indication whether each partner or shareholder or the proprietor engaged in practice in New Hampshire is licensed in any state as a CPA and good standing;

(8) An indication of whether each individual for whom a form NHBOA-7 is being filed has complied with the New Hampshire continuing professional education requirements specified in Ac 403;

(9) If the firm conducts audits, reviews, compilations, forecasts, projections or other special reports, an indication whether the firm has had a satisfactory peer review within the proceeding 3 years and if so a copy of such a peer review acceptance letter;

(10) A list of each CPA within the firm who is not licensed in New Hampshire but who will be practicing in New Hampshire containing the following regarding each such CPA:

- a. Full name;
- b. Complete mailing address;
- c. License number;
- d. The name of the state that issued the license; and
- e. The expiration date of such license;

(11) The document prepared pursuant to (c) below by each CPA listed pursuant to (10) above; and

(12) An attestation by a partner, shareholder or the proprietor by his or her signature that the information provided is true and accurate to the best of the

partner, shareholder or the proprietor's information and belief, and the date signed.

(c) Each CPA licensed in another state but seeking to practice in New Hampshire and who is listed pursuant to (a)(10) above shall provide the following on or with a form NHBOA-7A, Individual Intent to Practice:

- (1) A statement as to whether he or she has ever been convicted of a crime that has not been annulled by a court of competent jurisdiction or had disciplinary action taken against him or her by a state or federal regulatory agency;
- (2) A statement as to whether each of his or her licenses is currently active and in good standing in the jurisdiction in which it was issued;
- (3) A statement indicating acknowledgment that the provision of false information shall be grounds for denial or loss of the privilege to practice in New Hampshire;
- (4) A statement indicating acknowledgment and acceptance of the conditions imposed pursuant to RSA 309-B:6, V(a) - (c), specifically:
 - a. That the board has personal and subject matter jurisdiction;
 - b. That the CPA will comply with RSA 309-B and all rules of the board, including payment of all required fees; and
 - c. That the out-of-state board of accountancy which issued their license is designated as the agent upon whom process may be served in any action or proceeding by the board against the CPA; and
- (5) The CPA's signature indicating that the information provided is true and correct to the best of the CPA's knowledge and belief, and the date signed.

(d) Each accountant who completes a NHBOA-7A shall provide the original to his or her employer firm, and such firm shall maintain such form on file for at least 3 years after such CPA has stopped practicing public accounting in New Hampshire.

Ac 301.14 Fees.

- (a) All fees shall be non-refundable.
- (b) Fees for initial issuances shall be:
 - (1) Reciprocal CPA certificate issued pursuant to RSA 309-B:6 or RSA 309-B:7, \$250.00;
 - (2) CPA certificate issued pursuant to RSA 309-B:5, I, \$250.00;

(3) Acknowledgment of each CPA's Notice of Intent to practice in New Hampshire, \$125.00; and

(4) Biennial permit for a CPA firm to practice as a CPA firm in New Hampshire shall be \$20.00 for each CPA working in a New Hampshire office of a New Hampshire firm, regardless of whether the CPA holds a New Hampshire CPA certificate.

(c) Fees for renewal issuances shall be:

(1) Renewal of a certified public accountant certificate for 3 years, \$275.00;

(2) Renewal of a public accountant license for 3 years, \$275.00;

(3) Renewal of a notice of intent to practice pursuant to RSA 309-B:68, I(b), for 2 years, \$125.00; and

(4) Biennial renewal of a permit for a CPA firm to practice as a CPA firm in New Hampshire shall be \$20.00 for each CPA working in a New Hampshire office of a New Hampshire firm, regardless of whether the CPA holds a New Hampshire CPA certificate.

(d) Fees for documents shall be the actual cost of copying and mailing.

Ac 301.15 License Issuance and Expiration.

(a) The board shall issue each initial licensee whose last name begins with the letters A to F, inclusive, a license that will require renewal at 3 year intervals commencing in 2005.

(b) The board shall issue each initial licensee whose last name begins with the letters G to M, inclusive, a license that will require renewal at 3 year intervals commencing in 2006.

(c) The board shall issue each initial licensee whose last name begins with the letters N to Z, inclusive, a license that will require renewal at 3 year intervals commencing in 2007.

PART Ac 302 QUALIFICATIONS

Ac 302.01 Initial CPA Applicant Qualifications. To be granted initial certification, CPA applicants shall meet or exceed the minimum qualifications relative to:

(a) Education as set forth in RSA 309-B:5, III, and Ac 302.02;

(b) Experience as set forth in RSA 309-B:5, X or XI, and Ac 302.04;

- (c) Examination as set forth in RSA 309-B:5, IV through VII, and Ac 303; and
- (d) Good character as set forth in RSA 309-B:5, II, and Ac 302.05.

Ac 302.02 CPA Certificate Applicant Education.

(a) Each applicant submitting an application for certification as a CPA through reciprocity shall submit documents demonstrating compliance with the following education requirements that were in effect in New Hampshire at the time the applicant first sat for the exam:

(1) For applicants who first sat for the exam prior to January 1, 1996, the applicant shall have had at least a baccalaureate degree from an educational institution accredited pursuant to (b) below;

(2) For applicants who first sat for the exam on or after January 1, 1996 but before January 1, 2005, the applicant shall have had at least a baccalaureate degree from an educational institution accredited pursuant to Ac 302.02(b) with at least 24 semester hours in business, including at least 12 semester hours in accounting; and

(3) For applicants who first sat for the exam on or after January 1, 2005, the applicant shall have had at least a baccalaureate degree from an educational institution accredited pursuant to (b) below and at least 120 semester hours of education with at least 24 semester hours in business, including at least 12 semester hours in accounting.

(b) An educational institution shall be considered by the board to be accredited if:

(1) Approved by a member of a regional or national accrediting agency that is recognized by the United States Department of Education; or

(2) Approved by the American Assembly Of Collegiate Schools (AACSB).

(c) A candidate shall be considered by the board as having graduated from an accredited educational institution if, at the time the educational institution granted the applicant's degree, it was accredited pursuant to (b) above.

(d) If the educational institution was not accredited at the time the applicant's degree was received, but was accredited at the time the application was filed with the board, the institution shall be deemed to be accredited for the purpose of (c) above, provided that the educational institution:

(1) Certifies that the applicant's total educational program would qualify the applicant for graduation with a baccalaureate degree during the time the institution has been accredited; and

(2) Furnishes the board with college catalogue course numbers and

descriptions that demonstrate that the pre-accreditation courses are substantively equivalent to their analogous post-accreditation courses.

(e) If an applicant's degree was received at an accredited educational institution pursuant to (c) or (d) above, but contained course work taken at a non-accredited institution, such courses shall be deemed to have been taken at the accredited educational institution from which applicant's degree was received, provided the accredited educational institution either:

- (1) Has accepted such courses by including them in its official transcript; or
- (2) Has certified to the board that it will accept such courses for credit toward graduation.

(f) A graduate of a 4-year degree-granting educational institution not accredited at the time applicant's degree was received or at the time the application was filed shall be deemed by the board to be a graduate of an accredited educational institution if all of the following are true:

- (1) A credentials evaluation service approved by the board certifies that the applicant's degree is equivalent to a degree from an accredited educational institution;
- (2) An accredited educational institution has accepted the applicant's non-accredited baccalaureate degree for admission to a graduate business degree program;
- (3) The accredited educational institution certifies that the applicant has been accepted into the graduate program; and
- (4) The applicant has satisfactorily completed at least 120 semester hours, including at least 24 semester hours of business of which 12 shall be in accounting from the baccalaureate or post baccalaureate education.

(g) The board shall deny an application for initial certification if the board determines by a preponderance of the evidence that the applicant has not met the education requirements set forth in RSA 309-B:5, III, and this section.

Ac 302.03 CPA Certificate Applicant Accounting Experience.

(a) "Accounting or auditing skills" means the provision, under the direction of a CPA, or CPA from Australia, CA, or CPC currently licensed in another jurisdiction, of:

- (1) One or more of the following public accounting services, as specified by RSA 309-B:5, IX, namely:
 - a. Issuance of reports on financial statements;

- b. Management advisory services;
- c. Financial advisory services;
- d. Consulting services;
- e. Preparation of tax returns; or
- f. Furnishing tax advice; or

(2) One or more of the following government accounting services, as specified by RSA 309-B:5, X(a) through (c), namely:

- a. Auditing the tax returns or books and accounts of nongovernmental entities in 3 or more distinct lines of commercial or industrial business in accordance with generally accepted auditing standards;
- b. Auditing the books and accounts or activities of 3 or more governmental agencies or distinct organizational units in accordance with generally accepted auditing standards and reporting on their operations to a third party, to the Congress, or to a state legislature; or
- c. Reviewing financial statements and supporting material covering the financial condition and operations of nongovernmental entities engaged in 3 or more distinct lines of commercial or industrial business under the direction of a licensee to determine the reliability and fairness of the financial reporting and compliance with generally accepted accounting principles and applicable government regulations for the protection of investors and consumers

(b) Pursuant to RSA 309-B:5, IX, each applicant submitting an application for initial certification as a CPA shall meet the following general experience requirements:

(1) Such experience shall be earned:

- a. In a public accounting firm that:
 - 1. Actually practices public accounting; and
 - 2. Is licensed by the jurisdiction in which the firm is located; and
- b. Prior to the date that the candidate applies for certification in New Hampshire; and

(2) Compliance with one of the following:

- a. A minimum of 2 years' experience in accounting for an applicant with a baccalaureate degree in:
 - 1. Accounting;
 - 2. Taxation;
 - 3. Finance; or
 - 4. Business administration; or
- b. A minimum of one years' experience in accounting for an applicant with a master's degree in:
 - 1. Accounting;
 - 2. Taxation;
 - 3. Finance; or
 - 4. Business administration; and

(c) For full-time accounting employees, each year's experience shall consist of 12 calendar months as an employee under the direction of a licensed CPA, CA, or CPC, and shall include at least 1,500 hours of service solely involving the use of accounting or auditing skills, as defined in Ac 302.03(a)(1)a. – f.

(d) For non-full time accounting employees, each year's experience shall consist of 2,080 hours of accounting practice under the supervision of a licensed CPA, CA, or CPC, and shall include at least 1,500 hours of services solely involving accounting or auditing skills, as defined in Ac 302.03(a)(1)a. – f. For purposes of determining the amount of experience, the board shall accept only accounting and auditing services rendered in the 6 years immediately preceding the application if the applicant has a baccalaureate degree and 5 years immediately preceding the application if the applicant has a master's degree.

(e) For purposes of (c) and (d) above, no experience shall be counted being under the direction of a licensed CPA, CA, or CPC unless such licensee has the authority to review, direct and evaluate on a continuing basis the accounting activities of those who are under the licensee's professional accounting control.

(f) The applicant shall demonstrate that the minimum required experience in accounting has been fulfilled by the applicant through the submission of a fully completed form NHBOA-3A as described in Ac 301.07 for public accounting experience, a fully completed form NHBOA-3B as described in Ac 301.08 for governmental accounting experience, or a combination of them.

(g) The applicant shall arrange for the supervising CPA, CA, or CPC to provide

documentation, such as working papers or audit programs, to the board or its representative for the purpose of determining the applicant's compliance with the experience requirements set forth in RSA 309-B:5, IX and X, and this section.

(h) The board shall inspect, either by the board itself or by its representative, documentation relating to an applicant's claimed experience, in which case any licensee having custody of such documentation shall be requested to produce it either in writing or in person.

(i) Any New Hampshire licensee who has been requested to submit or make evidence of the applicant's experience available to the board or its representative but who has failed or refused to do so shall explain to the board either in writing or in person the basis for such refusal. A non-New Hampshire licensee who so fails or refuses shall be requested by the board to explain, in writing, such failure or refusal.

(j) The failure or refusal of a New Hampshire CPA to provide full and correct information as required herein shall, pursuant to RSA 309-B:11, I, serve as a basis for disciplinary proceedings against the CPA. The failure or refusal of a non-New Hampshire licensee to provide full and correct information as requested by the board shall be brought to the attention of the licensing body of the non-New Hampshire licensee.

(k) The board shall deny an application for certificate if the board finds that the applicant has not met the experience requirements set forth in RSA 309-B:5, IX, and this section.

Ac 302.04 Character.

(a) "Dishonest act," means any course of conduct involving intentional deception by the applicant, whether in the course of employment or as private conduct, and includes violation of any professional code of ethics or conduct to which the applicant is required to adhere.

(b) "Good character" means "good character" as defined in RSA 309-B:5, II, namely, "the lack of a history of dishonest or felonious acts."

(c) "History" means:

(1) Conviction at any time of a felony that has not been annulled by a court of competent jurisdiction;

(2) Conviction within the year immediately preceding the application of any offense or misdemeanor involving a dishonest act that has not been annulled by a court of competent jurisdiction;

(3) Conviction within the 5 years immediately preceding the application of 2 offenses, misdemeanors, or both, involving dishonest acts and that have not been annulled by a court of competent jurisdiction; or

- (4) Conviction within the 10 years immediately preceding the application of 3 or more offenses, misdemeanors, or both, involving dishonest acts.

(d) The board shall deny an application for a certificate if the board finds by clear and convincing evidence that the applicant is not of good character.

(e) When an applicant is found to be unqualified for a certificate because of a lack of good character, the board shall furnish the applicant:

- (1) A statement containing the findings of the board;
- (2) A complete record of the evidence upon which the determination was based; and
- (3) A notice of the applicant's right of appeal under Ac 200.

Ac 302.05 CPA Certificate Applicant Personal Appearance. The board shall require any person making any application under Ac 301.01 to appear personally before the board or a designated member of the board to provide clarification or additional information concerning the applicant's application and qualifications, if the information in the application is incomplete or unclear in its final form.

Ac 302.06 CPA Firms.

(a) A CPA firm shall be granted a permit to practice as a CPA firm in New Hampshire if the applicant CPA firm meets the requirements of this section.

(b) The applicant CPA firm shall file with the board a form NHBOA-5 as described in Ac 301.11 and any supporting data, documents, or information, required pursuant to Ac 301.10 through Ac 301.12. Such documentation shall demonstrate that the firm meets all statutory and rule requirements without demonstrating that any basis for denial of the permit exists.

(c) The applicant CPA firm shall demonstrate, pursuant to RSA 309-B:8, I, that it has or will have a physical presence in New Hampshire by a date certain specified by the applicant CPA firm. Each such location shall be registered with the board.

(d) If the applicant CPA firm specifies a date by which it will have a physical presence in New Hampshire, pursuant to (b) above, the permit shall become effective on the date of issuance of the permit or the date that the applicant specifies that it will have a physical presence in New Hampshire, whichever is later.

(e) The applicant CPA firm shall demonstrate that at least 51% of the ownership of the firm belongs to those who are certified in New Hampshire or are licensed as a CPA in another state, as required by RSA 309-B:8, III(a).

(f) The applicant CPA firm shall demonstrate that any individual CPA who is

responsible for supervising attest services or authorizes someone to sign the accountant's report on the financial statements on behalf of the firm, meets the experience requirements set forth in RSA 309-B:8, III(c).

(g) The applicant CPA firm shall demonstrate, through the peer review affidavit required pursuant to Ac 301.12, that it is in compliance with any applicable provision of Ac 404 relative to peer review.

(h) The applicant CPA firm shall submit a copy of the most recent peer review letter obtained in compliance with Ac 405.02, if the CPA firm has been issuing reports for 3 or more years. If the letter indicates that the CPA firm has received an unqualified peer review report, the CPA firm shall be determined by the board to be in compliance with Ac 404.

(i) If the applicant CPA firm has received an adverse or qualified peer review report, the affidavit required pursuant to (h) above shall indicate that fact as well as the date by which the CPA firm expects to be able to submit to the board an unqualified peer review report after taking the steps necessary to address the bases of the adverse or qualified peer review report. The board shall issue a conditional permit that shall become unconditional upon the CPA firm timely submitting the subsequent unqualified peer review letter. However, no conditional permit shall remain in effect for longer than one year.

(j) The applicant CPA firm shall submit the application fee required pursuant to RSA 309-B:4, VIII(h) and as specified in Ac 301.14.

(k) The board shall conclude that a basis for denial exists if any of the following are determined by the board to be true:

- (1) Any CPA who will service clients in New Hampshire is not of good character as set forth in Ac 302.04;
- (2) The CPA firm is not of good character as set forth in Ac 302.04;
- (3) The CPA firm has engaged in activities that subject it to the peer review requirements of Ac 404 but:
 - a. The CPA firm has submitted a peer review report letter that indicated that the firm has received either an adverse or qualified peer review report; and
 - b. The peer review report indicates that corrective action cannot be expected to be completed within 18 months of the issuance of such adverse or qualified peer review report;
- (4) The CPA firm has submitted materially inaccurate or materially incomplete application materials; and

- (5) The CPA firm has failed to submit the required fee.

PART Ac 303 EXAMINATION

Ac 303.01 Scope.

- (a) The provisions of Ac 303.02 through Ac 303.04 shall apply only to:

- (1) Applicants for examination as a CPA who do not hold licensure as a CPA, CA, or CPC in Canada, Ireland, or Australia; and
- (2) Applicants who hold licensure as a CPA from any jurisdiction in the United States and seek to become a CPA licensed in New Hampshire.

(b) The provisions of Ac 303.05 through Ac 303.06 shall apply only to applicants for certification as a CPA who hold licensure as a CPA or its foreign equivalent, and do not hold licensure in any jurisdiction in the United States or its Territories.

Ac 303.02 CPA Examination Required.

(a) Every applicant for examination as a CPA, whether for initial certification or through reciprocity, shall take and pass, with a grade of 75 or above, each section of the Uniform Certified Public Accountant Examination and Advisory Grading Service (examination) of the American Institute of Certified Public Accountants (AICPA) as specified by RSA 309-B:5, IV. The examination shall be administered by the National Association of State Boards of Accountancy (NASBA).

(b) Pursuant to RSA 309-B:5, V, the applicant examinee shall be required to pass all sections of the examination within any 18-month period. Such period shall commence on the date of the examination at which the first section was passed. Subject to the limitation specified by (d), below, the applicant shall sit for the examination as many times as is necessary to pass all sections of the examination within an 18-month period.

(c) Pursuant to RSA 309-B:5, V, no section passed more than 18 months prior to an applicant examinee passing the remaining sections shall be recognized for the purpose of determining (a) and (b) above unless the applicant requests and obtains a waiver from the board, pursuant to (d) below. Each section passed more than 18 months prior, and only such section or sections, shall be retaken and passed again by the applicant examinee within another 18-month period to be recognized for the purpose of determining compliance with (a) and (b) above.

(d) An applicant examinee who requests a waiver of the 18-month period limitation for passing the examination pursuant to (c) above shall provide the following to the board in support of such request:

- (1) The applicant's name and the address and telephone number at which the applicant can be reached;

- (2) A list of dates on which all previous attempts at passing the examination were made by the applicant examinee, including the results of each such attempt;
- (3) A statement of the circumstances that caused the applicant examinee to be unable to meet the requirements for passing all sections of the examination within the 18-month period; and
- (4) Any other information the applicant examinee believes is relevant.

(e) The board shall grant a waiver of the 18-month limitation if it determines that the applicant examinee:

- (1) Submitted a complete request pursuant to (d) above; and
- (2) Circumstances beyond the control of the applicant examinee rendered him or her unable to meet the requirements for passing all sections of the examination within the 18-month period.

(f) Pursuant to RSA 309-B:5, V, no applicant examinee shall sit for more than 10 attempts to pass all sections of the examination, unless the applicant requests and obtains a waiver from the board, pursuant to (g) and (h) below, respectively.

(g) An applicant examinee who requests a waiver to sit for the examination after 10 attempts at passing the examination shall provide the following to the board in support of such request:

- (1) The applicant's name, work address, and work telephone number;
- (2) A list of dates on which all previous attempts at passing the examination were made by the applicant examinee, including the results of each such attempt;
- (3) A statement regarding what measures in addition to those taken in the previous attempts have been or will be taken by the applicant examinee to prepare for the next attempt;
- (4) A statement of the circumstances that caused the applicant examinee to be unable to meet the requirements for passing all sections of the examination within 10 attempts; and
- (5) Any other information the applicant examinee believes is relevant.

(h) The board shall grant a waiver of the 10-attempt limitation if it determines that the applicant examinee:

- (1) Submitted a complete request;

- (2) Has taken or will take additional measures to prepare for the examination; and
 - (3) Circumstances beyond the control of the applicant examinee rendered him or her unable to meet the requirements for passing all sections of the examination within 10 attempts.
- (i) To arrange to sit for the examination, each applicant shall:
- (1) Contact NASBA to:
 - a. Obtain examination application materials prepared by NASBA;
 - b. Obtain logistical information such as examination dates and locations; and
 - c. Determine the examination fee that is payable to NASBA;
 - (2) Complete the NASBA examination application process, including payment of the examination fee to NASBA;
 - (3) Direct all communication regarding all aspects of the administration of the examination to NASBA, except that communications regarding conflicts between the applicant and NASBA that have not been resolved shall be directed to the board.

Ac 303.03 CPA Examination Subjects. The examination shall test each applicant examinee's knowledge in the following subjects:

- (a) Auditing and attestation, which shall cover knowledge and skills related to:
- (1) Planning the engagement;
 - (2) Internal controls;
 - (3) Obtaining and documenting information;
 - (4) Reviewing engagement and evaluating information; and
 - (5) Preparing communications;
- (b) Business environments and concepts, which shall cover knowledge and skills related to:
- (1) Business structure;
 - (2) Economic concepts;

- (3) Financial management;
- (4) Information technology; and
- (5) Planning and measurement;
- (c) Financial accounting and reporting, which shall cover knowledge and skills related to:
 - (1) Concepts and standards for financial statements;
 - (2) Typical items in financial statements;
 - (3) Specific types of transactions and events;
 - (4) Accounting and reporting for governmental entities; and
 - (5) Accounting and reporting for nongovernmental and not-for-profit organizations; and
- (d) Regulation, which shall cover knowledge and skills related to:
 - (1) Ethics and professional responsibility;
 - (2) Business law;
 - (3) Federal tax procedures and accounting issues;
 - (4) Federal taxation of property transactions;
 - (5) Federal taxation of individuals; and
 - (6) Federal taxation of entities.

Ac 303.04 Conduct During CPA Examination.

- (a) If, after notice and opportunity for a hearing, pursuant to Ac 200, the board determines that a candidate cheated during the examination, he or she shall be prohibited from sitting for the examination for a period of 5 years.
- (b) Conduct that considered cheating by the board shall include, but not be limited to, the following:
 - (1) Conduct which violates the security of the examination materials, such as removing any examination materials from the examination room;
 - (2) Selling, distributing, buying, receiving or having unauthorized possession of any portion of a future or current licensing CPA examination;

- (3) A second instance of being found in possession of any item prohibited pursuant to (c) below;
- (4) Conduct which violates the standards of test administration, including but not limited to:
 - a. Communicating in any way with any other examinee during the administration of the CPA examination;
 - b. Copying answers from another examinee; or
 - c. Permitting one's answers to be copied by another examinee during the administration of the CPA examination;
 - d. Giving or receiving assistance in answering any examination question, problem, or simulation;
 - e. Reading examination questions, problems, or simulations aloud;
 - f. Engaging in conduct which has the effect of interfering with the administration of the examination or unreasonably interfering with other any other candidate's ability to concentrate on the examination;
- (5) Having in one's possession during the administration of the licensing examination any materials or data of any kind, relative to the subject matter being tested other than the examination materials provided;
- (6) Conduct which violates the credentialing process, such as falsifying or misrepresenting education credentials or other information required for admission to the CPA examination; and
- (7) Impersonating an examinee or having an impersonator take the CPA examination on one's own behalf.

(c) Each candidate shall enter the examination area with only the clothes he or she is wearing and shall not bring into the examination area any other item that could be used to facilitate cheating. Candidates shall not access such items during breaks in the examination.

(d) Items that might be used for cheating or compromising the security of the examination shall include but not be limited to:

- (1) Books or any kind, including dictionaries, personal planners or organizers, and religious texts;
- (2) Magazines, newspapers, or publications of any kind, regardless of format;

- (3) Papers, pads, or notebooks of any kind that have not been provided by a test proctor;
- (4) Outlines, notes, or study materials of any kind;
- (5) Rulers or slide rules;
- (6) Briefcases, handbags, back- or fanny-packs;
- (7) Wallets or purses;
- (8) Containers of any kind, including plastic bags, eyeglass cases, and boxes;
- (9) Food or beverages of any kind, regardless of how packaged;
- (10) Tobacco products of any kind;
- (11) Calculators of any kind, including those that are part of or contained in another device, whether electronic or mechanical, that have not been provided by a test proctor;
- (12) Watches, clocks, or timers of any kind;
- (13) Computers of any kind, including personal digital assistants;
- (14) Electronic devices of any kind, including mp3 players or recorders, compact disc players or recorders, and tape players or recorders;
- (15) Cameras of any kind, including those that are part of cellular phones;
- (16) Photographic or scanning devices of any kind, whether still or video;
- (17) Telephones of any kind, including cellular or satellite phones;
- (18) Radios of any kind, including radios that receive, transmit, or both;
- (19) Pagers or beepers of any kind;
- (20) Writing implements, including pens, pencils, pencil sharpeners, and erasers, that have not been provided by a test proctor;
- (21) Headsets, earphones, earmuffs, or earplugs of any kind, that have not been provided by a test proctor;
- (22) Non-prescription sunglasses;
- (23) Visors, hats, or head coverings not worn for religious reasons;

- (24) Pendant necklaces, large earrings, or pendant bracelets;
- (25) Any clothing that is carried but not worn during the entire examination;
- (26) Umbrellas; and
- (27) Weapons of any kind, regardless of any permits that the candidate possesses.

(e) Examination proctors shall not let a candidate enter the examination area while such candidate is in possession of any such item. If a proctor discovers any prohibited item(s) at the time of entrance, the item shall be confiscated by the proctor, and such confiscation shall be considered one instance of being in possession of a prohibited item for purposes of (b)(3) above.

Ac 303.05 International Qualifications Examination (IQEX) Required.

(a) Pursuant to RSA 309-B:7, X(c)(3), every applicant for certification as a CPA who hold licensure as a CPA, CA, or CPC in Canada, Ireland, or Australia shall take and pass, with a grade of 75 or above, each section of the International Qualifications Examination (IQEX) administered by NASBA.

(b) To sit for the IQEX, each Canadian CA shall:

- (1) Have passed the Uniform Final Examination in Canada;
- (2) Be a member in good standing with a Provincial CA Institute; and
- (3) Not have qualified as a Canadian CA on the basis of recognition of credentials earned in any other country.

(c) To sit for the IQEX, each Irish CA shall:

- (1) Meet the education and experience requirements of the Institute of CAs in Ireland;
- (2) Have passed the Institute of Chartered Accountants Final Admitting Examination;
- (3) Be a member in good standing with the Institute of Chartered Accountants in Ireland; and
- (4) Not have qualified as an Irish CA on the basis of recognition of credentials earned in any other country.

(d) To sit for the IQEX, each Australian CA shall:

- (1) Meet the education and experience requirements of the Institute of Chartered Accountants in Australia, including having completed their education program in Australia;
 - (2) Be a member in good standing with the Institute of Chartered Accountants in Australia;
 - (3) Not have qualified as an Australian CA on the basis of recognition of credentials earned in any other country.
- (e) To sit for the IQEX, each Australian Certified Practicing Accountant shall:
- (1) Meet the education and experience requirements of the Institute of Chartered Accountants in Australia, including having completed their education program in Australia;
 - (2) Be a member in good standing with the Certified Practicing Accountants Australia;
 - (3) Not have qualified as an Australian Certified Practicing Accountant on the basis of recognition of credentials earned in any other country.
- (f) To sit for the IQEX, each Mexican CPC shall:
- (1) Have qualified as CPC with the Mexican *Direccion General de Profesiones de la Secretaria de Educacion Publica*;
 - (2) Meet the education and experience requirements of the *Instituto Mexicano de Contadores Publicos (ICMP)*;
 - (3) Be members in good standing with the ICMP;
 - (4) Have passed the *Examen Uniforme de Certificacion de la Contaduria Publica* in Mexico or have been a member in good standing of the ICMP as of September 27, 2002;
 - (5) Not have qualified as a CPC on the basis of recognition of credentials earned in any other country.
- (g) To arrange to sit for the examination, each applicant shall:
- (1) Contact NASBA to:
 - a. Obtain IQEX application materials prepared by NASBA;
 - b. Obtain logistical information such as IQEX dates and locations; and
 - c. Determine the IQEX fee that is payable to NASBA;

- (2) Complete the NASBA IQEX examination application process, including payment of the IQEX fee to NASBA;
- (3) Direct all communication regarding all aspects of the administration of the IQEX to NASBA, except that communications regarding conflicts between the applicant and NASBA that have not been resolved shall be directed to the board.

Ac 303.06 IQEX Subjects. The IQEX shall test each applicant examinee's knowledge in the following subjects:

- (a) Ethics and professional and legal responsibilities;
- (b) Business law;
- (c) Federal tax procedures and accounting issues;
- (d) Federal taxation of property transactions;
- (e) Federal taxation of individuals;
- (f) Federal taxation of entities;
- (g) Business structures;
- (h) Accounting and reporting for governmental entities and for nongovernmental not-for-profit organizations; and
- (i) Recent regulatory issues.

Ac 303.07 Conduct During IQEX.

- (a) If, after notice and opportunity for a hearing, pursuant to Ac 200, the board determines that a candidate cheated during the examination, he or she shall be prohibited from sitting for the examination for a period of 5 years.
- (b) Conduct considered cheating by the board shall include, but not be limited to, the following:
 - (1) Conduct which violates the security of the examination materials, such as removing any examination materials from the examination room;
 - (2) Selling, distributing, buying, receiving or having unauthorized possession of any portion of a future or current licensing IQEX examination;
 - (3) A second instance of being found in possession of any item prohibited pursuant to (c) below;

(4) Conduct which violates the standards of test administration, including but not limited to:

- a. Communicating in any way with any other examinee during the administration of the IQEX examination;
- b. Copying answers from another examinee; or
- c. Permitting one's answers to be copied by another examinee during the administration of the IQEX examination;
- d. Giving or receiving assistance in answering any examination question, problem, or simulation;
- e. Reading examination questions, problems, or simulations aloud;
- f. Engaging in conduct which has the effect of interfering with the administration of the examination or unreasonably interfering with other any other candidate's ability to concentrate on the examination;

(5) Having in one's possession during the administration of the licensing examination any materials or data of any kind, relative to the subject matter being tested other than the examination materials provided;

(6) Conduct which violates the credentialing process, such as falsifying or misrepresenting education credentials or other information required for admission to the IQEX examination; and

(7) Impersonating an examinee or having an impersonator take the IQEX examination on one's own behalf.

(c) Each candidate shall enter the examination area with only the clothes he or she is wearing and shall not bring into the examination area any other item which could be used to facilitate cheating. Candidates shall not access such items during breaks in the examination.

(d) Items that might be used for cheating or compromising the security of the examination shall include but not be limited to:

- (1) Books or any kind, including dictionaries, personal planners or organizers, and religious texts;
- (2) Magazines, newspapers, or publications of any kind, regardless of format;
- (3) Papers, pads, or notebooks of any kind that have not been provided by a

test proctor;

- (4) Outlines, notes, or study materials of any kind;
- (5) Rulers or slide rules;
- (6) Briefcases, handbags, back- or fanny-packs;
- (7) Wallets or purses;
- (8) Containers of any kind, including plastic bags, eyeglass cases, and boxes;
- (9) Food or beverages of any kind, regardless of how packaged;
- (10) Tobacco products of any kind;
- (11) Calculators of any kind, including those that are part of or contained in another device, whether electronic or mechanical, that have not been provided by a test proctor;
- (12) Watches, clocks, or timers of any kind;
- (13) Computers of any kind, including personal digital assistants;
- (14) Electronic devices of any kind, including mp3 players or recorders, compact disc players or recorders, and tape players or recorders;
- (15) Cameras of any kind, including those that are part of cellular phones;
- (16) Photographic or scanning devices of any kind, whether still or video;
- (17) Telephones of any kind, including cellular or satellite phones;
- (18) Radios of any kind, including radios that receive, transmit, or both;
- (19) Pagers or beepers of any kind;
- (20) Writing implements, including pens, pencils, pencil sharpeners, and erasers, that have not been provided by a test proctor;
- (21) Headsets, earphones, earmuffs, or earplugs of any kind, that have not been provided by a test proctor;
- (22) Non-prescription sunglasses;
- (23) Visors, hats, or head coverings not worn for religious reasons;
- (24) Pendant necklaces, large earrings, or pendant bracelets;

(25) Any clothing that is carried but not worn during the entire examination;

(26) Umbrellas; and

(27) Weapons of any kind, regardless of any permits that the candidate possesses.

(e) Examination proctors shall not let a candidate enter the examination area while such candidate is in possession of any such item. If a proctor discovers any prohibited item(s) at the time of entrance, the item shall be confiscated by the proctor, and such confiscation shall be considered one instance of being in possession of a prohibited item for purposes of (b)(3) above.

PART Ac 304 RECIPROCITY

Ac 304.01 Domestic Reciprocity CPA Certificate Applicant Qualifications. To be granted certification through reciprocity, applicants shall hold a current license in good standing from another state, territory or other jurisdiction within the United States and meets or exceeds the minimum qualifications relative to:

(a) Education as set forth in RSA 309-B:5, III, Ac 304.03(a);

(b) Experience as set forth in RSA 309-B:5, X or XI, and Ac 304.04;

(c) Examination as set forth in RSA 309-B:5, IV through VII, and Ac 303;

(d) Good character as set forth in RSA 309-B:5, II, and Ac 304.05; and

(e) Continuing professional education as required by RSA 309-B:7, VII, and as set forth in Ac 403.

Ac 304.02 Domestic Substantial Equivalency. Any applicant for certification in New Hampshire based on reciprocity who does not meet the experience provisions of Ac 301.07 shall nonetheless qualify for reciprocity if any of the following are true:

(a) The applicant meets all current requirements of New Hampshire for the issuance of a certificate at the time application is made;

(b) At the time of the issuance of the CPA license in the other United States state, territory or jurisdiction, the applicant met all such requirements then applicable in New Hampshire; or

(c) The applicant has:

(1) Acquired at least 4 years' experience outside New Hampshire in the practice of public accountancy after passing the examination upon which the applicant's certificate was based; and

- (2) The experience required pursuant to (1) above was acquired within the 10 years immediately preceding the application.

Ac 304.03 Domestic Reciprocity CPA Certificate Applicant Education.

(a) Each applicant submitting an application for certification as a CPA through reciprocity shall submit documents demonstrating compliance with the following education requirements that were in effect in New Hampshire at the time the applicant first sat for the exam:

- (1) For applicants who first sat for the exam prior to January 1, 1996, the applicant shall have had at least a baccalaureate degree from an educational institution accredited pursuant to Ac 302.02(b);
- (2) For applicants who first sat for the exam on or after January 1, 1996 but before January 1, 2005, the applicant shall have had at least a baccalaureate degree from an educational institution accredited pursuant to Ac 302.02(b) with at least 24 semester hours in business, including at least 12 semester hours in accounting; and
- (3) For applicants who first sat for the exam on or after January 1, 2005, the applicant shall have had at least a baccalaureate degree from an educational institution accredited pursuant to Ac 302.02(b) and at least 120 semester hours of education with at least 24 semester hours in business, including at least 12 semester hours in accounting.

(b) Each applicant submitting an application for certification as a CPA through reciprocity shall submit as part of the application documents demonstrating compliance with continuing professional education required by RSA 309-B:7, VII, and as set forth in Ac 403.

(c) The board shall deny an application for certification through reciprocity if the board determines by a preponderance of the evidence that the applicant has not met the education requirements set forth in (a) and (b) above.

Ac 304.04 Domestic Reciprocity CPA Applicant Accounting Experience.

(a) "Accounting or auditing skills" means the provision, under the direction of a CPA or PA, CA, or CPC licensed in another jurisdiction, of:

- (1) One or more of the following public accounting services, as specified by RSA 309-B:5, IX, namely:
 - a. Issuance of reports on financial statements;
 - b. Management advisory services;

- c. Financial advisory services;
- d. Consulting services;
- e. Preparation of tax returns; or
- f. Furnishing tax advice; or

(2) One or more of the following government accounting services, as specified by RSA 309-B:5, X(a) through (c), namely:

- a. Auditing the tax returns or books and accounts of nongovernmental entities in 3 or more distinct lines of commercial or industrial business in accordance with generally accepted auditing standards;
- b. Auditing the books and accounts or activities of 3 or more governmental agencies or distinct organizational units in accordance with generally accepted auditing standards and reporting on their operations to a third party, to the Congress, or to a state legislature; or
- c. Reviewing financial statements and supporting material covering the financial condition and operations of nongovernmental entities engaged in 3 or more distinct lines of commercial or industrial business to determine the raw liability and fairness of the financial reporting and compliance with generally accepted accounting principles and applicable government regulations for the protection of investors and consumers

(b) Pursuant to RSA 309-B:5, IX, each applicant submitting an application for certification as a CPA through reciprocity, shall meet the following general experience requirements:

(1) A minimum of 2 years' experience in accounting for an applicant with a baccalaureate degree in:

- a. Accounting;
- b. Taxation;
- c. Finance; or
- d. Business administration; and

(2) A minimum of one year's experience in accounting for an applicant with a master's degree in:

- a. Accounting;

- b. Taxation;
- c. Finance; or
- d. Business administration.

(c) For full-time accounting employees, each year's experience shall consist of 12 calendar months as an employee under the supervision of a licensed CPA, CA, or CPC, and shall include at least 1,500 hours of service solely involving the use of accounting or auditing skills.

(d) For non-full time accounting employees, each year's experience shall consist of 2,080 hours of employment employee under the supervision of a licensed CPA, CA, or CPC, and shall include at least 1,500 hours of services solely involving accounting or auditing skills in a period no shorter than 12 calendar months. For purposes of determining the amount of experience, the board shall accept only accounting and auditing services rendered in the 6 years immediately preceding the application if the applicant has a baccalaureate degree and 5 years immediately preceding the application if the applicant has a master's degree.

(e) For purposes of (c) and (d) above, no experience shall be counted being under the direction of a licensed CPA, CA, or CPC unless such licensee has the authority to review, direct and evaluate on a continuing basis the accounting activities of those who under licensee's professional accounting control.

(f) The applicant shall demonstrate that the minimum required experience in accounting has been fulfilled by the applicant through the submission of a fully completed form NHBOA 3A as described in Ac 301.07 for public accounting experience, a fully completed form NHBOA 3B as described in Ac 301.08 for governmental accounting experience, or a combination of them.

(g) The applicant shall arrange for the supervising CPA, CA, or CPC to provide documentation, such as working papers or audit programs, to the board or its representative for the purpose of determining the applicant's compliance with the experience requirements set forth in RSA 309-B:5, IX and X, and this section.

(h) The board shall inspect, either by the board itself or by its representative, documentation relating to an applicant's claimed experience, in which case any licensee having custody of such documentation shall be requested to produce it either in writing or in person.

(i) Any New Hampshire licensee who has been requested to submit or make evidence of the applicant's experience available to the board or its representative but who has failed or refused to do so shall explain to the board either in writing or in person the basis for such refusal. A non-New Hampshire licensee who so fails or refuses shall be requested by the board to explain, in writing, such failure or refusal.

(j) The failure or refusal of a New Hampshire CPA to provide full and correct information as required herein shall, pursuant to RSA 309-B:11, I, serve as a basis for disciplinary proceedings against the CPA. The failure or refusal of a non-New Hampshire licensee to provide full and correct information as requested by the board shall be brought to the attention of the licensing body of the non-New Hampshire licensee.

(k) The board shall deny an application for certificate if the board finds that the applicant has not met the experience requirements set forth in RSA 309-B:5, IX, and this section.

Ac 304.05 International Reciprocity.

(a) A person who holds a foreign professional license equivalent to a CPA certificate may apply for certification in New Hampshire as a CPA through reciprocity.

(b) To qualify for reciprocity, the foreign-credentialed applicant shall:

(1) Have a current credential in good standing that has been issued by a foreign authority that regulates the practice of public accountancy in that country;

(2) Have been granted such credential by a foreign authority that recognizes certificates issued by New Hampshire for purposes of reciprocal licensure in that country;

(3) Be entitled under the foreign credential to issue reports upon financial statements;

(4) Demonstrate that the foreign credential was issued upon the basis of examination, experience and education established by the foreign authority or applicable foreign law;

(5) Demonstrate that he or she received the foreign credential based on educational and examination standards that are substantially equivalent to those that were or are in effect in New Hampshire at the time such foreign credential was issued;

(6) Demonstrate acquisition of experience that shall satisfy one of the following:

- a. The applicant shall have acquired experience that is substantially equivalent to the requirements of RSA 309-B:5, IX and Ac 302.03 in the jurisdiction that granted the credential;
- b. The applicant shall have acquired at least 4 years' professional accounting experience in New Hampshire; or

- c. The applicant shall have acquired a combination of 5 years' foreign and New Hampshire professional accounting experience; and

(7) The applicant takes and passes the examination required pursuant to Ac 303.05.

(c) The board shall designate a professional accounting credential issued in a foreign country as substantially equivalent to a CPA certificate if the requirements of this section and RSA 309-B:7, X are met.

(d) The board shall rely on the National Association of State Boards of Accountancy, the American Institute of Certified Public Accountants for evaluation of foreign credential equivalency.

(e) A foreign-credentialed applicant who meets the requirements of (c) and (d) above shall satisfy the good character requirement of RSA 309-B:5, II and Ac 304.06.

(f) The board shall issue a CPA certificate to an applicant for certification by international reciprocity if the applicant meets all the requirements of this section.

Ac 304.06 Character.

(a) "Dishonest act," means any course of conduct involving intentional deception by the applicant, whether in the course of employment or as private conduct, and includes violation of any professional code of ethics or conduct to which the applicant is required to adhere.

(b) "Good character" means "good character" as defined in RSA 309-B:5, II, namely, "the lack of a history of dishonest or felonious acts."

(c) "History" means:

(1) Conviction at any time of a felony that has not been annulled by a court of competent jurisdiction;

(2) Conviction within the year immediately preceding the application of any offense or misdemeanor involving a dishonest act that has not been annulled by a court of competent jurisdiction;

(3) Conviction within the 5 years immediately preceding the application of 2 offenses, misdemeanors, or both, involving dishonest acts and that have not been annulled by a court of competent jurisdiction; or

(4) Conviction within the 10 years immediately preceding the application of 3 or more offenses, misdemeanor, or both, involving dishonest acts.

(d) The board shall deny an application for a certificate through domestic or foreign reciprocity if the board finds by clear and convincing evidence that the applicant is not of good character.

(e) When an applicant is found to be unqualified for a certificate because of a lack of good character, the board shall furnish the applicant:

- (1) A statement containing the findings of the board;
- (2) A complete record of the evidence upon which the determination was based; and
- (3) A notice of the applicant's right of appeal under Ac 200.

Ac 304.07 CPA Applicant Personal Appearance. The board shall require any person making any application under Ac 304.01 or Ac 304.05 to appear personally before the board or a designated member of the board to provide clarification or additional information concerning the applicant's application and qualifications, if the information in the application is incomplete or unclear in its final form.

Readopt with amendment Ac 400, eff. 1-26-2007 (Doc. #8810), to read as follows:

CHAPTER Ac 400 CONTINUED STATUS

PART Ac 401 RENEWAL

~~Ac 401.01 Time Limits and Fees. Each practicing accountant shall have a period of 62 days from July 1 to pay his/her registration fee and register for the ensuing license period. Failure to do so within this period shall result in a fee of 5 percent per month, or fraction of a month until he/she is so registered. After the 62 days, if a practicing accountant has not paid his or her registration fee and submitted his or her continuing education, if required, the accountant shall not hold himself or herself out as a certified public accountant, public accountant, accounting practitioner, or foreign accountant, certified, licensed or registered to practice in the state of New Hampshire.~~

~~Ac 401.02 Continuing Professional Education Records.~~

~~(a) Applications for renewal to practice shall be filed, using board approved forms only, with a signed Form NHBOA 9 and NHBOA 9 a showing compliance with Ac 403, including all required attachments;~~

~~(b) The applicant shall provide the following information on Form NHBOA 9:~~

- ~~(1) Name of sponsoring organizations;~~
- ~~(2) Location of program;~~

- ~~(3) Title of program or description of content;~~
 - ~~(4) Dates attended;~~
 - ~~(5) Hours claimed, by category; and~~
 - ~~(6) Attestation by the applicant that the information contained in the application is true and correct to the best of the applicants knowledge and belief.~~
 - ~~(c) The applicant shall supply the following information on Form NHBOA-9a:~~
 - ~~(1) Certificate number issued by the board upon initial certification;~~
 - ~~(2) Name of applicant, or former name if applicable;~~
 - ~~(3) Mailing address;~~
 - ~~(4) Business address; and~~
 - ~~(5) Signature.~~
 - ~~(d) Documentation of completion of continuing education credits shall be retained by applicant for a period of 4 years from the date of renewal.~~
 - ~~(e) Documentation relative to continuing education may consist of the following:~~
 - ~~(1) A copy of the course outline prepared by the course sponsor along with the information required by (a);~~
 - ~~(2) For courses taken for scholastic credit at regionally accredited universities and colleges, evidence of completion of the course shall be sufficient. For non-credit courses taken, a statement of the hours of attendance, signed by the instructor, shall be required.~~
 - ~~(3) For formal individual study programs, written evidence of completion.~~
- ~~Ac 401.03 Practice Unit Registration.~~
- ~~(a) Pursuant to RSA 309-B:5, IV and RSA 309-B:10, X, each practice unit, with a physical office/s in New Hampshire, shall register with the board on Form NHBOA-10.~~
 - ~~(b) Each practice unit shall provide the following information on Form NHBOA-10:~~
 - ~~(1) The name of the firm or practice unit;~~

~~(2) The principal New Hampshire address;~~

~~(3) The type of entity, including but not limited to, professional corporation, partnership, limited liability company, or other form of entity;~~

~~(4) Whether firm is comprised of certified public accountants, public accountants or both;~~

~~(5) The names of all owners partners, shareholders, members or other practicing in New Hampshire; and~~

~~(6) Statement of compliance with peer review requirements as set forth in Ac 404.03.~~

~~(c) Annually, as of July 1, each practice unit, with a physical office in New Hampshire, shall renew its registration on Form NHBOA-10.~~

~~(d) All practice units, except sole proprietorships, shall submit with Form NHBOA-10 the fee specified in Ac 301.03.~~

~~Ac 401.04 Due Dates.~~

~~(a) Permits shall expire on June 30 of each third year.~~

~~(b) The board shall divide practicing accountants into 3 groups, alphabetically, so that the certificates and permits of approximately one third of practicing accountants shall expire each year.~~

~~(c) Foreign accountant practice permits shall expire on June 30 of each odd year.~~

~~(d) Applicants for a certificate to practice by reciprocity shall comply with the requirements of the RSA 309-B:5, III.~~

~~PART Ac 402 REVOCATION AND SUSPENSION~~

~~Ac 402.01 Revocation Effect.~~

~~(a) The revocation of a certificate, permit, or registration to practice public accountancy, in any other state, shall be grounds for revocation of the authority to practice public accountancy in the state of New Hampshire.~~

~~(b) A subsequent certificate, permit or registration shall be obtained only by complying with all of the requirements of RSA 309-B and these rules regarding original issuance, and by demonstrating that the cause for revocation does not exist at the time of subsequent application.~~

~~—— Ac 402.02 Suspension Effect.~~

~~(a) The suspension of a certificate, permit or registration to practice public accountancy in another state shall be grounds for suspension to practice public accountancy in New Hampshire until the time specified in the order of suspension.~~

~~(b) This board's order of suspension shall include, but not be limited to prohibitions or requirements of affirmative action during the period of the suspension and the suspended practicing accountant shall provide the board with documentation of compliance with these conditions before re-issuance.~~

~~(c) The authority to practice public accountancy in New Hampshire shall be recovered only by complying with all of RSA 309-B and these rules regarding the renewal of the certificate, permit or registration.~~

~~PART Ac 403 CONTINUING EDUCATION~~

~~Ac 403.01 Continuing Professional Education Requirements. The following requirements regarding continuing professional education shall apply to the triennial renewal of a permit to practice pursuant to RSA 309-B: 5:~~

~~——(a) A licensee seeking triennial renewal of a permit shall show that he/she has completed at least 120 hours of continuing professional education in the 3-year period preceding renewal. A carryover of any excess over 120 hours but not exceeding 60 hours shall be permitted to the next succeeding triennial period only;~~

~~(b) Notwithstanding any other provision of Ac 403, a licensee shall have completed a minimum of 20 hours of continuing education in each year. For purposes of this paragraph, carryover hours shall not be applicable.~~

~~——(c) Notwithstanding any other provision of Ac 403, in each 3-year period, a licensee shall complete a minimum of four hours of continuing professional education in the area of professional ethics.~~

~~(d) A licensee seeking to renew an initial permit issued less than 3 years but more than 2 years to the renewal shall show that he/she has completed at least 80 hours of continuing professional education as required by Ac 403.01 (a) and has complied with Ac 403.01 (b) and (c);~~

~~(e) A licensee seeking to renew an initial permit issued less than 2 years but more than one year prior to the renewal shall show that he/she has completed at least 40 hours of continuing professional education as required by Ac 403.01 (a) and has complied with Ac 403.01 (b) and (c);~~

~~(f) A licensee seeking to renew an initial license issued less than one year prior to the renewal period shall only submit the completed license and the applicable fee. However, if such licensee has completed any continuing education programs, earned after his/her New Hampshire certification date, such licensee shall file a renewal form, with applicable fee, reporting such continuing education and may carry forward all such~~

~~education credit, not to exceed 60 hours, to the subsequent period. Upon, his/her first full triennial renewal he/she shall comply with Ac 403.01 (a);~~

~~(g) A licensee who has previously held a license but whose license at the time of application lapsed shall show compliance with Ac 403.01 (a), which shall include a minimum of one hour of continuing professional education in the area of professional ethics, incorporating the rules set forth in Ac 500;~~

~~(h) For purposes of determining the applicable hours of continuing education required, a licensee seeking a triennial renewal who was certified in this state by reciprocity shall determine the amount of continuing professional education to submit by using the original date of certification in the state in which he/she was previously certified;~~

~~(i) The board shall in particular cases make exceptions to the requirements set out in this rule for reasons of individual hardship including health, military service, foreign residence, or other good cause;~~

~~(j) If an applicant for renewal does not earn 20 hours of continuing professional education per RSA 309-B:5 V by June 30th in a given year, the board shall waive that yearly requirement one time, if the full continuing education requirement is met and if the applicant earns the 20 hours within one year of the June 30th date in which the 20 hours requirement was not met.~~

~~(k) In cases where the applicant realizes he or she will not meet the 20 hour requirement, either initially or subsequently, he or she shall upon recognition of the failure to meet the requirement, contact the board for permission to satisfy the deficiency in the year immediately following.~~

~~(l) In cases where the applicant fails to meet the 20 hour minimum a subsequent time, he or she shall petition the board for permission to satisfy the deficiency in the immediately following year. Waivers for repeat offenders shall be issued on a case by case basis with exceptions given for reasons of individual hardship, including health, military service, foreign residence, or other good cause.~~

~~——(m) The board shall deny the license renewal application of any licensee who is a repeat offender in satisfying the 20 hour minimum by the June 30th date of each year unless the applicant can demonstrate that the non-compliance was beyond his or her control.~~

~~——(n) The board shall deny the license renewal application of a licensee who does not satisfy his or her hourly requirement for renewal of his or her license, unless the applicant can demonstrate that the non-compliance was beyond his or her control.~~

~~Ac 403.02 Continuing Professional Education. The following explains the standards, subjects areas, and criteria for the continuing professional education requirements:~~

~~(a) A program shall qualify as acceptable continuing professional education for Ac 403.01 if it is a formal program of learning which contributes to the growth and the professional knowledge and professional competence of an individual licensed under RSA 309-B. A formal program shall consist of a lecture, seminar, examination with in-depth review of the correct answers to program exam questions, or a video or audio tape incorporating any of the foregoing methods of education;~~

~~(b) Programs dealing with the following general subjects shall be acceptable so long as they meet the standard specified in (a):~~

~~(1) Accounting and auditing;~~

~~(2) Taxation;~~

~~(3) Management;~~

~~(4) Computer science;~~

~~(5) Communication arts;~~

~~(6) Mathematics, statistics, probability, and quantitative applications in business;~~

~~(7) Economics;~~

~~(8) Business law;~~

~~(9) Functional fields of business, including finance, production, marketing, personnel relations, and business management and organization;~~

~~(10) Specialized areas of industry, such as, film, real estate, banking, farming; and~~

~~(11) Administrative, personnel, management, and human relations;~~

~~(c) Subjects other than those listed in (b) above shall be acceptable, provided the applicant can demonstrate that they contribute to his or her professional competence. The responsibility for demonstrating that a particular program is acceptable shall rest solely upon the applicant;~~

~~(d) Group programs such as the following shall be acceptable so long as they meet the standard specified in (a) and deal with subjects referred to in (b):~~

~~(1) Professional education and development programs of national, state, and local accounting organizations;~~

~~(2) Technical sessions at meeting of national, state, and local accounting organizations and their chapters;~~

~~(3) University or college courses, both credit and non credit;~~

~~(4) Formal firm or in-house education programs;~~

~~(5) Programs of other organizations in the areas of professional accounting and industry;~~

~~(6) Committee meetings of professional accounting and trade societies which are structured as formal education programs;~~

~~(7) Dinner, luncheon, and breakfast meetings which are structured as formal education programs;~~

~~(8) The portions of firm or in house meetings for staff and/or management groups which are structured as formal education programs and are devoted to the communication and application of general professional policy or procedure; and~~

~~(9) This shall not include portions devoted to firm administrative, financial, and operating matters.~~

~~(e) Continuing professional education credit shall be given with a minimum of 50 minutes constituting one hour. Only time spent in instruction, and not in preparation, shall be credited. For university or college courses, each semester hour of credit shall equal 15 hours toward the requirement;~~

~~(f) The amount of credit to be allowed for individual study programs, including visual and/or audio-taped study programs, computer study programs or correspondence study programs, shall be that which is recommended by the program sponsor. Credit shall be allowed in the renewal period in which course is completed. The certificate of course completion shall be submitted at the time of renewal. The certificate of course completion shall be dated with in the time frame of the renewal being submitted.~~

~~(g) Applicants who have served as instructors, discussion leaders, and speakers at programs coming under (a), (b), (c) and (d) may claim continuing professional education credit for both preparation and presentation time. Credit may be claimed for actual preparation time up to twice the number of class contact hours, however the maximum credit for such preparation and teaching shall be 50 percent of the applicable renewal period requirement under Ac 403.01;~~

~~(h) Credit toward the continuing professional education requirement may be claimed for published articles, courses and books, provided they contribute to the professional competence of the licensee. Credit for preparation of such publications shall be claimed on a self-declaration basis. The maximum credit for such a publication shall be 50 percent of the applicable renewal period requirement under Ac 403.01;~~

~~(i) Licensees claiming credit for any course shall obtain evidence of satisfactory completion, such as a certificate of completion for the course, from the program sponsor. In the case of an individual study course, the certificate of completion shall be based on a test. Responsibility for documenting the acceptability of the program and validity of the credits shall rest with the licensee; and~~

~~(j) Licensees shall retain evidence of completion as specified in (i) for a period of 4 years from the date of renewal. In cases where the board determines that the requirement is not met, the board shall grant an additional period of time in which the deficiencies can be cured if such deficiencies are not willful. Fraudulent reporting shall result in disciplinary action.~~

~~PART Ac 404 PEER REVIEW~~

~~——— Ac 404.01 Peer Review Requirements. All licensees and practice units engaged in the practice of public accountancy shall provide evidence that the practice unit employing said licensee has undergone a peer review within the 3 years prior to the renewal application if that practice unit performs audits, reviews, compilations, forecasts, projections, or other special reports.~~

~~——— Ac 404.02 Practice of Public Accountancy. For purposes of this part, the term "practice of public accountancy" means the issuance of audited, reviewed or compiled reports on historical or prospective financial statements.~~

~~——— Ac 404.03 Evidence of Peer Review. Evidence of a peer review shall consist of a letter of acceptance from an independent organization that follows the AICPA standard for peer reviews. The acceptance letter shall certify that the practice unit has undergone a study, appraisal or review of one or more aspects of the professional work of the practice unit, by a licensee, or by a person licensed as a certified public accountant or public accountant in another jurisdiction.~~

~~——— Ac 404.04 New Firm. A licensee who owns or is employed by a practice unit which has been in existence for less than 3 years shall not be subject to the requirements of this part. However, such practice unit shall obtain a letter of acceptance within 3 years or the licensee's permit shall be revoked after notice and opportunity for hearing pursuant to Ac 200. For purposes of this section, a practice unit shall not be deemed to be a new firm if it has merely changed its name or form of practice but is substantially the same practice.~~

~~——— Ac 404.05 Affidavit.~~

~~——— (a) Practice units applying for renewal of their permits or registrations to practice public accountancy shall submit an affidavit.~~

~~——— (b) A signature on the affidavit shall be an attestation that the information contained in the affidavit is true and correct to the best of the licensee's knowledge and belief.~~

~~_____ (c) The affidavit shall be on a form provided by the board and shall certify one of the following:~~

- ~~_____ (1) That the practice unit currently performs reports and obtained an unqualified peer review and assures that the next peer review will be arranged within a three year period from the date of the current peer review report;~~
- ~~_____ (2) That the practice unit currently performs reports and the practice unit had an adverse peer review and is taking the necessary steps to obtain an unqualified peer review;~~
- ~~_____ (3) That the practice unit is not performing reports at this time and is exempt from the peer review requirement;~~
- ~~_____ (4) That the practice unit is performing reports; however, the practice unit's first engagement occurred less than 3 years prior to the first filing of the annual firm registration form; or~~
- ~~_____ (5) That the licensee is in private industry, currently employed by a governmental agency or is unemployed, and does not perform any reports and therefore is not subject to the peer review requirement.~~

~~_____ Ac 404.06 Notification of Initial Peer Review. Any licensee or practice not currently performing reports but who enter into a report engagement shall notify the board in writing within 30 days of the report engagement and shall scheduled a peer review to be completed within 3 years of the date of the first engagement.~~

Ac 401.01 Renewal Process Overview.

(a) For triennial renewal of a CPA certificate or for a PA registration the applicant shall submit the following:

- (1) A Renewal Application, Form NHBOA-8;
- (2) A Report of Completed Continuing Professional Education, Form NHBOA-9;
- (3) Documentation of completion of continuing professional education (CPE), if the applicant has been selected for a CPE audit; and
- (4) The appropriate fee.

(b) For biennial renewal of a firm permit the applicant shall submit the following:

- (1) A Renewal Application, Form NHBOA-10;
- (2) Documentation of peer review, if required pursuant to Ac 405; and

(3) The appropriate fee.

(c) Renewal materials shall be made available both online at the board's website and in hard copy format upon request.

(d) Each licensee shall have until June 1 to submit a completed renewal application, including payment of all fees due, for the ensuing 3-year certification or registration period.

(e) Each firm permitted to practice in New Hampshire shall have until June 1 of even years to submit a completed renewal application, including payment of all fees due, for the ensuing biennium.

Ac 401.02 General Requirements for Renewal Documentation. All forms and other documents submitted to the board as part of an application for renewal shall:

(a) Be written in English unless the original document is in another language, in which case a copy of the document in its original language shall be accompanied by a translation that has been attested to by the person who translated the document as being accurate and complete; and

(b) Except for signatures and dates of signatures, not be handwritten. The board shall accept forms and other documents that have been produced through the use of a computer, typewriter, or some other process that produces similarly legible and uniform text.

Ac 401.03 Certificate, Registration, and Permit Expiration.

(a) Each CPA certificate shall expire on the third June 30 after its issuance. As of June 1 in a renewal year no CPA shall hold him- or herself out as such to the public in New Hampshire until he or she has completed all renewal requirements and submitted all required renewal materials, including payment of all fees due.

(b) Each PA registration shall expire on the third June 30 after its issuance. As of June 1 in a renewal year no PA shall hold him- or herself out as such to the public in New Hampshire until he or she has completed all renewal requirements and submitted all required renewal materials, including payment of all fees due.

(c) Each firm permit shall expire on the second June 30 after its issuance. As of June 1 each even-numbered year, no firm shall hold itself out as an accounting firm to the public in New Hampshire until it has submitted all required renewal materials and the appropriate fees.

Ac 401.04 Renewal Forms.

(a) A licensee shall submit, by June 1 of a renewal year, the following on or with a Certification/Registration Renewal Application, Form NHBOA-8:

- (1) The applicant's certificate number as issued by the board upon initial certification;
- (2) The name of applicant, including any previous names under which the applicant held certification or registration;
- (3) The applicant's complete mailing address;
- (4) The applicant's complete business address;
- (5) A statement as to whether, since the original issuance of the certificate or the last renewal, which ever is later, the applicant's practice privileges before any governmental agency or tribunal in any jurisdiction was in any way sanctioned or altered, and if so, a complete explanation of all material facts;
- (6) A statement as to whether, since the original issuance of the certificate or the last renewal, which ever is later, any settlement has been reached by or on behalf of the applicant relating to any claim made against the applicant based upon his or her work as a licensee, and if so, a complete explanation of all material facts;
- (7) A statement as to whether, since the original issuance of the certificate or the last renewal, which ever is later, the applicant was convicted of a misdemeanor or felony that has not been annulled by a court of competent jurisdiction, and if so, a complete explanation of all material facts;
- (8) A statement as to whether, since the original issuance of the certificate or the last renewal, which ever is later, the applicant has had a license denied, revoked, suspended, or in any way limited or sanctioned by any other state or jurisdiction, and if so, a complete explanation of all material facts;
- (9) An indication if the applicant is required or volunteers to report CPE; and
- (10) The applicant's signature, attesting that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.

(b) A licensee shall submit the following on a Continuing Professional Education Reporting form:

- (1) The total number of hours of CPE claimed for each of the years covered by the expiring license, in the categories listed in Ac 403.02(b)(1) – (4);
- (2) The dates on which ethics CPE hours were earned, by category as listed in 403.02(b)(1) – (4);

(3) The number of hours of CPE carried forward, if any, from the previous licensure period;

(4) The total number of hours of CPE claimed; and

(5) The total number of hours of CPE required, based upon proration for their licensure period.

(c) If a licensee is among the 10% of the licensees randomly-selected for CPE compliance audit, the licensee shall submit the following on or with a Report of Completed Continuing Professional Education, Form NHBOA-9:

(1) The name of each organization that sponsored each program;

(2) The location of program;

(3) Title of program or description of content;

(4) The dates of the applicant's attendance at the program;

(5) The number of hours claimed, by category, as having been completed by the applicant;

(6) Documented proof of the hours claimed, as set forth in Ac 403.02(d) – (g); and

(7) The applicant's signature, attesting that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.

(d) A firm shall submit, by June 1 of each even-numbered year, the following on or with a Firm Permit Renewal Application, Form NHBOA-10:

(1) The name of the firm;

(2) The principal New Hampshire address;

(3) The type of entity, including but not limited to:

a. Professional corporation;

b. Partnership;

c. Limited liability company; or

d. Professional limited liability company;

- (4) A statement as to whether firm is comprised of certified public accountants, public accountants, or both;
- (5) The names of all owners, partners, shareholders, members or others practicing in New Hampshire;
- (6) Statement of compliance with peer review requirements as set forth in Ac 405.03; and
- (7) A list of all licensees working for the firm.

Ac 401.05 Documentation of Completion of Continuing Professional Education.

- (a) Documentation of completion of continuing education shall be retained by the licensee for a period of 4 years from the date of renewal.
- (b) Documentation acceptable to the board relative to CPE shall comply with Ac 403.02(d) – (g), as applicable.

Ac 401.06 Inactive Status Designation.

- (a) A CPA or PA who does not intend to practice accounting but who, at a later date, might wish to re-enter practice, may apply to the board for permission to enter inactive status. Such status shall allow the applicant to continue to use the CPA or PA designation provided that the full word 'Inactive' appears immediately after the letter 'A' or word 'accountant' in their title.
- (b) A CPA or PA seeking permission to use the inactive status designation shall submit, in addition to the documents required pursuant to Ac 401.04(a) – (c), the following on or with an Application for Inactive Status, form NHBOA-11:
 - (1) The applicant's certificate number as issued by the board upon initial certification;
 - (2) The name of applicant, including any previous names under which the applicant held certification or registration;
 - (3) The applicant's complete mailing address;
 - (4) The applicant's complete business address;
 - (5) A statement indicating that, at the time application is made, the applicant does not intend to practice public accounting during the next 3 years;
 - (6) A statement indicating that he or she will neither hold himself or herself out as a currently practicing CPA or PA nor allow or suffer anyone else to do so;

(7) A statement indicating that, should the applicant's intentions change, he or she shall notify the board at least 30 days prior to the proposed date of re-entry into practice;

(8) A statement indicating that the applicant agrees to satisfy all CPE requirements that would have been applicable had the applicant remained active in practice before actually re-entering practice, up to a maximum of 120 hours;

(9) The fee of \$75; and

(10) The applicant's signature, attesting that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.

(c) The board shall grant the Application for Inactive Status if it determines that the application is complete and the fee paid.

(d) The CPA or PA whose application has been granted may use the inactive status designation for the 3 years during which his or her renewal would have been effective. If the CPA or PA wishes to remain on inactive status after such 3 year period, he or she shall comply with (a) and (b) above and the board shall grant such applications pursuant to (c) above.

Ac 401.07 Retired Status Designation.

(a) A CPA or PA who does not intend to practice accounting and intends to relinquish his or her certificate permanently may apply for to the board for permission to enter retired status. Such status shall allow the applicant to continue to use the CPA or PA designation provided that the full word 'Retired' appears immediately after the letter 'A' or word 'accountant' in their title.

(b) A CPA or PA who intends to relinquish his or her certificate and wishes to use the retired status designation shall submit the following on or with an Application for Retired Status, form NHBOA-12:

(1) The applicant's certificate number as issued by the board upon initial certification;

(2) The name of applicant, including any previous names under which the applicant held certification or registration;

(3) The applicant's complete mailing address;

(4) The applicant's complete business address;

(5) A statement acknowledging an intention to permanently cease practice as a CPA; and

(6) The applicant's signature, attesting that the information contained in the application is true and correct to the best of the applicant's knowledge and belief.

(c) The board shall grant the Application for Retired Status if it determines that the application is complete.

(d) The CPA or PA whose application has been granted may use the retired status designation for as long as he or she wishes, and shall not be required to reapply or pay a fee for permission to use such status designation.

PART 402 REVOCATION, SUSPENSION, AND OTHER SANCTIONS

Ac 402.01 Revocation.

(a) "Revocation" means the permanent and complete cancellation of any specially-conferred rights, authority, or privileges that were granted to a CPA, PA, or firm through the issuance of a certificate, registration, or permit pursuant to RSA 309-B.

(b) The sanction of revocation is the most severe form of sanction and as such shall be imposed only after notice and opportunity for a hearing in those cases in which:

- (1) A CPA, PA, or firm has engaged in one or more acts that constitute criminal or gross unethical conduct;
- (2) A CPA, PA, or firm has engaged in more than 2 acts of unethical conduct within a 3-year period; or
- (3) A CPA, PA, or firm's certificate, permit, or registration, or their analogues, to practice public accountancy in any other state has been revoked.

(c) The minimum period for revocation shall be 3 years commencing from the latter of:

- (1) The date that the revocation goes into effect; or
- (2) The date on which no further appeal may be taken.

(d) Upon receipt of a revocation order from the board, the CPA, PA, or firm shall immediately cease holding itself out to the public as a CPA, PA, or firm. Further, such CPA, PA, or firm shall immediately cease engaging in any act for which certification, registration, or a permit is required.

(e) Failure to comply with (d) above, shall constitute separate grounds for further disciplinary action.

- (f) A subsequent certificate, permit or registration shall be obtained only after:
 - (1) The passage of the amount of time specified in the revocation order;
 - (2) Complying with all of the requirements of RSA 309-B and Ac 300 regarding application for an initial certificate, registration, or permit;
 - (3) Demonstrating that the cause for revocation does not exist at the time of the subsequent application; and
 - (4) Demonstrating that any corrective actions that were ordered by the board have been fully implemented.

Ac 402.02 Suspension.

- (a) "Suspension" means the temporary withdrawal of any specially-conferred rights, authority, or privileges that were granted to a CPA, PA, or firm through the issuance of a certificate, registration, or permit pursuant to RSA 309-B.
- (b) The sanction of suspension shall be imposed only after notice and opportunity for a hearing in those cases in which the board determines that:
 - (1) At least one of the following is true
 - a. A CPA, PA, or firm has engaged in unethical conduct, violated any board rule, or violated a statutory requirement; or
 - b. A CPA, PA, or firm's certificate, permit, or registration, or their analogues, to practice public accountancy in any other state has been suspended;
 - (2) The board determined that, based upon the facts of the case, imposition of a primary sanction alone would not protect the public; and
 - (3) The board determined that, based upon the facts of the case, imposition of a revocation would not be necessary to protect the public.
- (c) The minimum period for suspension shall be that amount of time necessary for the CPA, PA, or firm to take corrective action ordered by the board and return to compliance. Suspension shall have no effect upon the expiration of a certificate, registration, or permit. Specifically, suspension shall not cause expiration to be advanced or delayed.
- (d) Upon receipt of a suspension order from the board, the CPA, PA, or firm shall immediately cease holding itself out to the public as a CPA, PA, or firm. Further, such CPA, PA, or firm shall immediately cease engaging in any act for which certification, registration, or a permit is required until the board grants reinstatement pursuant to (f), below.

(e) Failure to comply with (d) above, shall constitute separate grounds for further disciplinary action.

(f) A CPA, PA, or firm seeking reinstatement shall petition the board, providing documentation of all corrective actions taken. The Board shall review the petition and supporting documentation and grant the petition if it determines that all corrective action ordered by the board has, in fact, been taken and the CPA, PA, or firm has returned to compliance.

Ac 402.03 Primary Sanctions.

(a) “Primary sanction” means a form of discipline, imposed only after notice and opportunity for hearing, for situations in which the public can be protected from the noncompliance with ethical and other regulatory or statutory requirements by a CPA, PA, or firm without resorting to the temporary withdrawal or permanent cancellation of the offender’s certificate, registration, or permit.

(b) Censure shall be the lowest form of primary sanction disclosed to the public. It shall consist of a statement from the board that describes the noncompliance and which is placed in the file of the CPA, PA or firm and an order of corrective action to be taken. A copy of the censure shall be forwarded to each other jurisdiction in which the CPA, PA, or firm is licensed. A censure shall be considered by the board in any subsequent disciplinary action.

(c) Reprimand shall be the lowest form of primary sanction. It shall consist of a nonpublic statement from the board that describes the noncompliance and which is placed in the file of the CPA, PA or firm. A reprimand shall be considered by the board in any subsequent disciplinary action.

(d) Corrective action ordered as part of a censure shall include one or more of the following:

- (1) Taking one or more CPE courses to address the noncompliance;
- (2) Devising new or amending existing policies or practices to address the noncompliance; and
- (3) Any other action calculated to address the noncompliance or prevent its reoccurrence.

(e) Failure of a CPA, PA, or firm to take corrective action as required pursuant to the censure shall constitute separate grounds for further disciplinary action.

PART Ac 403 CONTINUING EDUCATION

Ac 403.01 Continuing Professional Education Requirements.

(a) A licensee seeking renewal of a certificate or registration shall complete at least 120 hours of CPE in the 3 year period preceding renewal or a prorated number of hours if the licensee has been certified for less than 3 years or has notified the board of inactive status pursuant to (c) below. Proration shall be computed based on the date of initial certification or from the receipt of notification of inactive status approval by the board.

(b) Up to 60 hours of CPE in excess of the required 120 hours may be carried over to the next succeeding triennial period only.

(c) A licensee providing notice of inactive status shall include the following in a letter to the board:

- (1) The full name of the licensee;
- (2) The licensee's certificate or registration number;
- (3) The licensee's complete mailing address;
- (4) A tentative date of return to active status;
- (5) A statement that the licensee agrees to complete all required CPE before returning to active practice;
- (6) A statement that the licensee agrees to notify the board upon completion of the required CPE and the date the licensee returned to active practice; and
- (7) The signature of the licensee to indicate the truthfulness and accuracy of the substance of the notice submitted to the board.

(d) Notwithstanding any other provision of Ac 403, a licensee shall complete a minimum of 20 hours of CPE by June 30 each year, except that in a renewal year such 20 hours of CPE shall be earned by June 1. For purposes of this paragraph, carryover hours shall not be applicable.

(e) Notwithstanding any other provision of Ac 403, a licensee shall complete a minimum of 4 hours of CPE in the area of professional ethics in each 3-year certification or registration period.

(f) A licensee who has previously held a certificate or registration but who was on inactive status shall show compliance with Ac 403.01(a), (d) and (e).

(g) A licensee certified in New Hampshire by reciprocity and seeking renewal shall complete 20 hours of CPE for each full July 1 to June 30 period, commencing from the date of licensure in New Hampshire.

(h) A licensee may petition the board to waive the specific requirements of this section based upon individual hardship due to:

- (1) Health issues;
- (2) Military service; or
- (3) Any other circumstance beyond the control of the licensee that prevents the licensee from fulfilling the CPE requirement.

(i) If, in any one year within a triennial certification or registration period, a licensee fails to earn 20 hours of CPE as required by (d) above, the board shall, upon petition, waive the 20 hour/year CPE requirement for that one year out of 3 if the licensee has completed the required number of hours of CPE for the preceding licensure period pursuant to (d) above.

(j) As soon as a licensee realizes that he or she will not meet the 20 hour/year CPE requirement, the licensee shall petition the board for permission to satisfy the deficiency within 6 months of the filing of the petition, except that all CPE shall be earned no later than June 30 in a renewal year.

(k) In cases where a licensee failed to meet the 20 hour/year CPE requirement a subsequent time, he or she shall petition the board for permission to satisfy the deficiency in the immediately following year. Waivers for repeat offenders shall be issued on a case by case basis with exceptions given for reasons of individual hardship, including health, military service, or other good cause.

(l) The board shall deny the renewal application of any licensee who has failed to satisfy the 20 hour/year CPE requirement by June 30 each year more than once in a single 3-year certification or registration period unless the applicant petitions the board and demonstrates that the failure was beyond his or her control.

(m) The board shall deny the renewal application of a licensee who does not satisfy his or her hourly requirement for renewal of his or her license, unless the applicant petitions the board and demonstrates that the failure was beyond his or her control.

Ac 403.02 Continuing Professional Education.

(a) An activity or program shall qualify as acceptable CPE for Ac 403.01 if it is a formal activity or program of learning which contributes to the growth and the professional knowledge and professional competence of an individual licensed under RSA 309-B.

(b) Activities or programs shall be in one of the 4 following formats:

- (1) Self-study;
- (2) Seminar or lecture;

- (3) Authoring articles, books, or other publications; and
- (4) Presenting, lecturing, or instructing.

(c) Activities or programs dealing with the following general subjects shall be acceptable provided they also meet all other requirements of this section:

- (1) Public accounting;
- (2) Governmental accounting;
- (3) Public auditing;
- (4) Governmental auditing;
- (5) Administrative practices;
- (6) Social environment of business;
- (7) Regulatory ethics;
- (8) Business law;
- (9) Business management and organization;
- (10) Finance;
- (11) Management advisory services;
- (12) Marketing;
- (13) Behavioral ethics;
- (14) Communications;
- (15) Personal development;
- (16) Personnel and human resources;
- (17) Computer science;
- (18) Economics;
- (19) Mathematics;
- (20) Production;

(21) Specialized knowledge and its application;

(22) Statistics; and

(23) Taxes.

(d) To qualify as CPE, a program of self-study shall:

(1) Meet the requirements of (a) – (c) above; and

(2) Be documented by a certificate of completion prepared by the program sponsor that shall include:

- a. The name of the participant;
- b. The name of the program;
- c. The specific subject or subjects included in the program;
- d. The date of completion;
- e. The number of hours that the program sponsor has determined should be awarded for each subject studied as part of the program;
- f. Whether hours are computed on a 50-minute or 100-minute basis; and
- g. The signature of an authorized representative of the program provider, certifying the accuracy of the information provided on the certificate of completion.

(e) To qualify as CPE, a program seminar or lecture shall:

(1) Meet the requirements of (a) – (c) above;

(2) Fall within one of the following descriptions of subject matter and program provider:

- a. Professional education and development programs of national, state, and local accounting organizations;
- b. Technical sessions at meeting of national, state, and local accounting organizations and their chapters;
- c. Credit and non-credit courses from a university or college;
- d. Formal firm or in-house education programs;

- e. Programs of other organizations in the areas of professional accounting and industry;
- f. Committee meetings of professional accounting and trade societies which are structured as formal education programs;
- g. Dinner, luncheon, and breakfast meetings which are structured as formal education programs; and
- h. The portions of firm or in house meetings for staff, management groups, or both, which are structured as formal education programs and are devoted to the communication and application of general professional policy or procedure;

(3) Not include time devoted to firm or organizational administrative, financial, and operating matters; and

(4) Be documented by a certificate of completion from the program provider that shall include:

- a. The name of the participant;
- b. The name of the program;
- c. The dates and hours of attendance;
- d. The date of completion;
- e. The specific subject or subjects included in the program;
- f. The number of hours that the program sponsor has determined should be awarded for each subject studied as part of the program;
- g. Whether hours are computed on a 50-minute or 100-minute basis; and
- h. The signature of an authorized representative of the program provider, certifying the accuracy of the information provided on the certificate of completion.

(f) To qualify as CPE, the articles, books, or other publications written by a licensee shall:

- (1) Meet the requirements of (a) – (c) above;
- (2) Be capable of substantiated as having been authored by the licensee through research notes, drafts, or other documents;

(3) Require that a copy of each article, book, or other publication, as well as substantiation of authorship, be kept in its published form for a period of 4 years after the licensee has, pursuant to Ac 401.04(b), claimed such authorship as CPE; and

(4) Be documented by a certificate of completion from the licensee that shall include:

- a. The name of the author;
- b. The title of the article, book, or other publication;
- c. The beginning and ending dates of the writing project;
- d. The total number of hours spent on the writing project;
- e. The specific subject or subjects included in the article, book, or other publication; and
- f. The signature of the licensee, certifying the accuracy of the information provided on the certificate of completion.

(g) To qualify as CPE, a presentation, lecture, or instruction shall:

- (1) Meet the requirements of (a) – (c) above;
- (2) Require documentation, in the form of research notes, drafts or other documents, of the licensee preparing the presentation, lecture, or instruction;
- (3) Require that time spent for preparation and for presentation be accounted for separately, as each may be claimed for CPE if performed by the licensee;
- (4) Require that no more than twice the time spent in presenting a presentation, lecture, or instruction shall be claimed as preparation qualifying for CPE;
- (5) Require that no CPE may be claimed by a licensee who only presents materials he or she has not prepared;
- (6) Be claimed only once for the same course within a single renewal period, except that more than one instance may be claimed if there were material substantive changes made that necessitated preparation time that was at least 25% of the preparation time first claimed for the course;
- (7) Be documented by a certificate of completion from a representative of the program sponsor that shall include:
 - a. The name of the licensee who prepared the materials;

- b. The title of the presentation, lecture, or instruction;
- c. The name of the licensee who presented the materials;
- d. The date(s) on and hours during which the presentation, lecture, or instruction was given;
- e. The total number of hours spent in the actual presentation of such materials;
- f. The specific subject or subjects included in the presentation, lecture, or instruction; and
- g. The signature of an authorized representative of the program provider certifying the accuracy of the information provided on the certificate of completion.

PART 404 ONGOING REQUIREMENTS

Ac 404.01 Severance of Connection. All CPAs shall notify the board in writing within 30 business days after they sever connection with any firm for any reason, either personal, professional, or disciplinary.

Ac 404.02 Change of Address. All CPAs, firms, and applicants shall notify the board in writing of any change in home or business address within 30 days of such change. Failure to provide a written notification of change of address shall not be exculpatory grounds for failing to respond to governing board inquiries or timelines and shall be grounds for disciplinary actions.

Ac 404.03 CPA Outsourcing Disclosures to Clients.

(a) If a CPA is using a third-party provider to assist the CPA in providing any professional services to a client, the CPA shall provide a written disclosure of such outsourcing to the client. Such written disclosure shall comply with (b) below.

(b) A disclosure required pursuant to (a) above in a written statement of the services to be rendered by the third-party provider as well as the third-party provider's name, address, and phone number. The written statement shall be dated, signed by both the CPA and client in advance of the outsourcing, and a copy provided to the client.

(c) A CPA outsourcing professional services to a third-party provider is responsible for insuring a third-party provider is in compliance with all rules of Professional Conduct and Ethics in Chapter 500.

Ac 404.04 Retention of Client Records.

(a) A CPA shall return client records in his or her possession to the client after a demand is made by the client or the client's designated agent for their return. The records shall be returned immediately upon demand unless a delay is necessary in order to retrieve a closed file or to extract the CPA's work papers described in (g) below. If the records cannot be returned immediately upon demand, the CPA shall immediately notify the client of the date the records will be returned. Nothing in this section shall require a CPA to pay delivery costs when the records are returned to the client.

(b) If the client is a partnership, records shall be returned upon request by any of its general partners. If the client is a limited partnership or a limited liability partnership, records shall be returned upon request by its general partner(s) or the managing partner or his or her designated agent respectively. If the client is a corporation, records shall be returned upon request by its president. If the client is a limited liability company, records shall be returned upon request by the managing member. Joint records shall be returned upon request by any party.

(c) A CPA shall not retain a client's records in order to force payment of any kind.

(d) Work papers shall be the CPA's property and need not be surrendered to the client unless such papers contain data which should properly be reflected in the client's books and records but for convenience had not been duplicated therein with the result that the client's records are incomplete. In such instances, the portion of the work papers containing such data shall constitute part of the client's records, and copies shall be given to the client along with the rest of the client's records.

(e) Work papers considered part of the client's records shall include but not be limited to:

- (1) Worksheets in lieu of original entries, such as listings and distributions of cash receipts or cash disbursements on columnar work paper;
- (2) Worksheets in lieu of general ledger or subsidiary ledgers, such as accounts receivable, job cost and equipment ledgers, or similar types of depreciation records;
- (3) All adjusting and closing journal entries and supporting details not fully set forth in the journal entry; and
- (4) Consolidating or combining journal entries worksheets and supporting detail used in arriving at final figures incorporated in an end product such as financial statements or tax returns.

(f) Work papers developed by the CPA incident to the performance of an engagement which do not result in changes to the client's records, or are not in themselves part of the records ordinarily maintained by such clients, shall be solely the CPA's work papers and shall not be the property of the client.

(g) A CPA shall ensure that the work product and the work papers created in the performance of an engagement for a client are retained for a minimum of 5 years after the date of issuance of the work product unless the CPA is required by law to retain such records for a longer period.

Ac 404.05 Claims Against Licensees.

(a) Each licensee shall provide the board with the material details regarding any claim arising out of the licensee's practice of public accountancy settled by or on behalf of the licensee within 30 days of such settlement.

(b) For purposes of (a) above, "claim" means:

(1) Notification made by the licensee to the licensee's professional liability insurance carrier regarding an allegation for which there might be coverage;

(2) An action filed against the licensee, and which relates to the licensee's practice of public accounting, in a court of competent jurisdiction;

(3) An allegation filed against the licensee with any accounting licensing entity or state or federal regulatory body; or

(4) Any allegation made to the licensee, in any form, and which results in a payment of \$5,000 or more by or on behalf of the licensee to resolve the matter.

(c) Failure, by a licensee to provide the required information pursuant to (a) above shall be separate grounds for disciplinary action.

Adopt Ac 405 to read as follows:

PART Ac 405 PEER REVIEW

Ac 405.01 Definitions.

(a) "Agreed-upon procedure" means a professional service whereby a CPA is engaged to issue a report of findings based on specific procedures performed on financial information prepared by or on behalf of the client, and for which attestation by the CPA is required pursuant to the agreement with the client.

(b) "Peer review program" means an independent review and analysis of the procedures and methodologies used by a firm in its provision of any of the services listed under Ac 405.02(a) for the purpose of determining compliance with generally accepted standards for such services and making recommendations to the firm for coming into compliance when gaps in compliance have been found.

Ac 405.02 Peer Review Required.

(a) Each firm that provides any of the following services to the public shall participate in a peer review program:

- (1) Audits, whether financial, performance, or both;
- (2) Reviews of financial statements;
- (3) Compilations of financial statements; and
- (4) Agreed-upon procedures.

(b) No firm shall be required to participate in a peer review program until the firm agrees to undertake a report engagement for a service listed under (a) above.

(c) Within 30 days of first being engaged to provide any service listed under (a) above, a firm shall notify the board in writing within 30 days of the report engagement and shall participate in a peer review program that meets the requirements of this part. Failure to comply with the peer review requirements of this part shall subject to disciplinary action by board in accordance with RSA 309-B:10, I.

(d) Within 36 months of the date the firm first agrees to undertake a report engagement for a service listed under (a) above, the firm shall furnish to the board a peer review final acceptance letter.

(e) If a firm is unable to furnish a final acceptance letter within 36 months pursuant to (d) above due to being issued a qualified or adverse report, the firm shall, within the 36 month period, provide to the board a copy of the qualified or adverse report, including any recommendations, and the firm's letter of response to such report and, if any, to such recommendations.

(f) Any firm that receives a qualified or adverse report shall abide by the peer review entity's recommendations, including fulfilling such recommendations within the time frame established by the peer review entity, and obtain a peer review acceptance letter.

(g) A peer review shall not be considered by the board to be complete until the final letter of acceptance has been issued by the peer review program. Such final letter of acceptance shall indicate the new due date of the firm's next peer review.

(h) If the final letter of acceptance has not been issued as of the date the CPA firm files the firm registration form, it shall be submitted within 60 days of the date it is issued.

(i) Firms required to participate in a peer review program shall participate in and completion with one of the following peer review programs:

- (1) AICPA Center for Public Company Audit Firms;
- (2) AICPA Peer Review Program; or
- (3) Any other peer review program that has standards consistent with those programs listed in (1) and (2) above.

(j) Each firm required to participate in a peer review program shall continue participating in a peer review program until the firm or its successor in interest has, for a period of at least one year, not engaged in any service listed in (a) above.

(k) Subsequent peer reviews of a firm shall be due no later than 6 months from the end of the 3-year peer review period unless granted an extension is granted by the peer review program entity.

Ac 405.03 Ethical Duties of Reviewer.

(a) A reviewer shall be independent with respect to the reviewed firm and comply with the AICPA Standards for Performing and Reporting on Peer Reviews.

(b) Information concerning the participating firm or its clients or personnel that is obtained as a consequence of the review shall be confidential and shall not be disclosed to anyone not involved in the peer review process.

Readopt with amendment Ac 500, eff. 1-26-2007 (Doc. #8810), to read as follows:

CHAPTER Ac 500 ETHICS

PART Ac 501 APPLICABILITY

Ac 501.01 Application to All Professional Services.

(a) The ethical standards that follow shall apply to all professional services performed by a licensee in the practice of public accounting except:

- (1) Where the wording of the rule indicates otherwise; and
- (2) That a licensee who is practicing outside the United States shall not be subject to discipline for departing from any of the rules stated herein as long as the licensee's conduct is in accord with the rules of the organized

accounting profession in the country in which he or she is practicing.

(b) However, where a licensee's name is associated with financial statements under circumstances that would entitle the reader to assume that United States practices were followed, the licensee shall comply with the requirements of Ac 504.02 and Ac 504.03.

Ac 501.02 Violations of Rules Also an Ethical Violation. The violation of any provision of Ac 300, Ac 400, or this chapter by a licensee shall be considered by the board to be an ethical violation and shall subject the licensee to disciplinary action.

Ac 501.03 Licensee Responsibility for Associates. A licensee shall be held responsible for noncompliance with the rules by all persons associated with him or her in the practice of public accounting who are either under the licensee's supervision or are the licensee's partners or shareholders in the practice, if the licensee knew or should have known of such associated persons failure to comply with the rules.

Ac 501.~~03~~⁰⁴ Applicability to Indirect Services. A licensee shall not permit others to carry out on his or her behalf, either with or without compensation, acts which, if carried out by the licensee, would place the licensee in violation of the rules.

PART Ac 502 INDEPENDENCE

Ac 502.01 Opinion on Financial Statements.

(a) An accountant or a firm of which he or she is a partner or shareholder shall not express an opinion on financial statements of an enterprise unless the accountant and the accountant's firm are independent with respect to such enterprise.

(b) Independence shall be considered to be impaired if, for example:

(1) During the period of his or her professional engagement, or at the time of expressing his or her opinion, the accountant or the accountant's firm:

- a. Had or was committed to acquire any direct or material indirect financial interest in the enterprise;
- b. Was a trustee of any trust or executor or administrator of any estate if such trust or estate had or was committed to acquire any direct or material indirect financial interest in the enterprise;
- c. Had any joint closely-held business investment with the enterprise or any officer, director or principal stockholder thereof which was material in relation to his/her or his/her firm's net worth; or
- d. Had any loan to or from the enterprise or any officer, director or principal stockholder thereof, except for the following loans from a financial institution when made under normal lending procedures,

terms and requirements:

1. Loans obtained by an accountant or his firm which are not material in relation to the net worth of such borrower;
2. Home mortgages; and
3. Other secured loans, except loans guaranteed by an accountant's firm which are otherwise unsecured; and

(2) During the period covered by the financial statements, during the period of the professional engagement, or at the time of expressing an opinion, he/she or his/her firm:

- a. Was connected with the enterprise as a promoter, underwriter or voting trustee, a director or officer, or in any capacity equivalent to that of an accountant of management or of an employee; or
- b. Was a trustee for any pension or profit-sharing trust of the enterprise.

Ac 502.02 Adoption of AICPA Standards.

(a) The board hereby adopts the interpretations and ethics rulings with respect to the following rules ~~101,102,201,202,203,301,302, and 501~~ of the Code of Professional Conduct of the American Institute of Certified Public Accountants, ~~1998~~June 2006 edition, to the extent such interpretations and rulings do not conflict with the provisions of this chapter-:

(1) AICPA Rule 101;

(2) AICPA Rule 102;

(3) AICPA Rule 201;

(4) AICPA Rule 202;

(5) AICPA Rule 203;

(6) AICPA Rule 301;

(7) AICPA Rule 302;

(8) AICPA Rule 501;

(9) AICPA Rule 502;

(10) AICPA Rule 503; and

(11) AICPA Rule 505.

(b) All licensees shall comply with the applicable interpretations and rulings as incorporated in (a) above.

PART Ac 503 INDEPENDENCE, INTEGRITY AND OBJECTIVITY

Ac 503.01 Standards of Integrity and Objectivity. In the performance of any professional service, a licensee shall:

- (a) Maintain independence, objectivity and integrity;
- (b) Be free of conflicts of interest; and
- (c) Not knowingly misrepresent facts or subordinate his or her judgment to others.

PART Ac 504 GENERAL STANDARDS OF ACCOUNTING PRINCIPLES

Ac 504.01 TechnicalProfessional Standards.

(a) The board hereby adopts the technical-professional standards and associated interpretations adopted by the American Institute of Certified Public Accountants, volumes June 1 and 2, 1998, 2006 edition.

(b) Licensees shall comply with the standards and interpretations incorporated in (a) above.

- (c) In addition to the standards incorporated in (a) above, licensees shall:
 - (1) Undertake only those professional services that the licensee or the licensee's firm can reasonably expect to be completed with professional competence;
 - (2) Exercise due professional care in the performance of professional services;
 - (3) Adequately plan and supervise the performance of professional services; and
 - (4) Obtain sufficient relevant data to afford a reasonable basis for conclusions or recommendations in relation to any professional services performed.

Ac 504.02 Accounting Principles.

(a) A licensee shall not:

- (1) Express an opinion or state affirmatively that the financial statements or other financial data of any entity are presented in conformity with generally accepted accounting principles; or
- (2) State that he or she is not aware of any material modifications that should be made to such statements or data in order for them to be in conformity with generally accepted accounting principles, if such statements or data contain any departure from an accounting principle contained in any ~~technical~~ professional standards incorporated in Ac 504.01 and adopted by the American Institute of Certified Public Accountants or the Financial Accounting Standards Board that has a material effect on the statements or data taken as a whole.

(b) If, however, the statements or data contain such a departure and the licensee can demonstrate that due to unusual circumstances the financial statements or data would otherwise have been misleading, the licensee may comply with the rule by describing the departure, its approximate effects, if practicable, and the reasons why compliance with the principle would result in a misleading statement.

PART Ac 505 CONFIDENTIAL CLIENT INFORMATION

Ac 505.01 Disclosure of Confidential Information.

(a) A licensee in public practice shall not disclose any confidential client information without the specific consent of the client.

(b) The requirement in (a) above shall not be construed:

- (1) To relieve a licensee of his or her professional obligations under Ac 504.02 and Ac 504.03;
- (2) To affect in any way the licensee's obligation to comply with a validly issued and enforceable subpoena or summons, or to prohibit a licensee's compliance with applicable laws and government regulations;
- (3) To prohibit review of a licensee's professional practice under American Institute of Certified Public Accountants or state CPA society or board of accountancy authorization; or
- (4) To preclude a licensee from initiating a complaint with, or responding to any inquiry made by, the professional ethics division or trial board of the Institute or a duly constituted investigative or disciplinary body of a state CPA society or board of accountancy.

(c) Licensees of any of the bodies identified in (b)(4) above and licensees involved with professional practice reviews identified in (b)(3) above shall not use to their own advantage or disclose any licensee's confidential client information that comes to their attention in carrying out those activities. This prohibition shall not restrict licensees' exchange of information in connection with the investigative or disciplinary proceedings described in (b)(4) above or the professional practice reviews described in (b)(3) above.

Ac 505.02 Use of Third Party Service Providers.

(a) Before using a third party service provider, the licensee shall:

(1) Enter into a binding, enforceable contractual agreement with the third-party service provider to maintain the confidentiality of the information; and

(2) Receive reasonable assurances from the third-party service provider that it has appropriate procedures in place to prevent the unauthorized release of confidential information to others.

(b) The nature and extent of procedures necessary to obtain reasonable assurance shall depend on the facts and circumstances, including the extent of publicly available information on the third party service provider's controls and procedures to safeguard confidential client information.

(c) When a licensee has entered into a binding, enforceable contractual agreement with a third-party service provider, the licensee shall disclose to the client that such service provider can be used. Such disclosure shall not relieve the licensee of his or her obligations under these rules.

(d) A licensee shall not be required to inform the client when the licensee uses a third party service provider to provide administrative support service to the licensee.

(e) A licensee shall provide a written disclosure to the client that the licensee is using a third-party provider to assist the licensee in providing any professional services to the client, excluding (d) above.

(f) A licensee shall provide annual disclosure in a written statement of the services to be rendered by the third-party provider as well as the third-party provider's name, address, and phone number. The written statement shall be dated, signed by both the licensee and client in advance of the outsourcing, and a copy provided to the client.

(g) A licensee outsourcing professional services to a third-party provider shall be responsible for insuring a third-party provider is and remains in compliance with all applicable provisions of Ac 500.

PART Ac 506 CONTINGENT FEES

Ac 506.01 Prohibition.

(a) A licensee in public practice shall not:

- (1) Perform, for a contingent fee, any professional services for, or receive such a fee from, a client for whom the licensee or the licensee's firm performs:
 - a. An audit or review of a financial statement;
 - b. A compilation of a financial statement when the licensee's compilation report does not disclose a lack of independence; or
 - c. An examination of prospective financial information;
- (2) Under any circumstances receive a contingent fee for the preparation of an audit, review or compiled financial statement; or
- (3) Prepare an original or amended tax return or claim for a tax refund for a contingent fee for any client, subject to Ac 506.02.

(b) The prohibition in (a)(1) above shall apply during the period in which the licensee or the licensee's firm is engaged to perform any of the services listed above and the period covered by any historical financial statements involved in any such listed services.

(c) The prohibition in (a)(3) above shall not apply to a contingent fee for preparation of an amended return or claim for refund if the licensee has a reasonable expectation that the amended return or claim for refund will be subject of a substantive review by the taxing authority.

Ac 506.02 Contingent Fee.

(a) Except as stated in (b) below, "contingent fee" means a fee established for the performance of any service pursuant to an arrangement in which no fee will be charged unless a specified finding or result is attained, or in which the amount of the fee is otherwise dependent upon the finding or result of such service.

(b) "Contingent fee" does not include fees fixed by courts or other public authorities, or, in tax matters, if determined based on the results of judicial proceedings or the findings of governmental agencies.

Ac 506.03 Fees. A licensee's fees may vary depending on the complexity of services rendered.

PART Ac 507 ACTS DISCREDITABLE

Ac 507.01 Prohibition. A licensee shall not commit an act discreditable to the

profession.

Ac 507.02 Advertising and Other Forms of Solicitation. A licensee in public practice shall not seek to obtain clients by advertising or other forms of solicitation in a manner that is false, misleading, or deceptive. Solicitation by the use of coercion, over-reaching, or harassing conduct shall be prohibited.

Ac 507.03 Commissions.

(a) A licensee in public practice shall not for a commission recommend or refer to a client any product or service, or for a commission recommend or refer any product or service to be supplied by a client, or receive any other form of a commission- when the licensee or the licensee's firm also performs for that client:

(1) An audit or review of a financial statement;

(2) A compilation of a financial statement when the member expects, or reasonably might expect, that a third party will use the financial statement and the member's compilation report does not disclose a lack of independence; or

(3) An examination of prospective financial information.

(b)- The prohibition in (a) above shall apply to the period in which the licensee is engaged to perform any of the services listed in (a)(1) – (3) above and to the period covered by any historical financial statements involved in such listed services.

(c) A licensee who is not prohibited by this section or RSA 310-B:14 from performing services for or receiving a commission and who is paid or expects to be paid a commission shall disclose that fact to any person or entity to whom the licensee recommends or refers a product or service to which the commission relates.

(d) This section shall not prohibit payments to individuals formerly engaged on the practice of public accounting, or payments to their heirs or estates.

Ac 507.04 Referral Fees. Any licensee who accepts a referral fee for recommending or referring any service of a CPA licensee to any person or entity or who pays a referral fee to obtain a client shall disclose such acceptance or payment to the client.

Ac 507.05 Form of Practice and Name.

(a) A licensee may practice public accounting only in a form of organization permitted by state law or rule whose characteristics conform to standards of the American Institute of Certified Public Accountants, in the AICPA professional standards, volumes June 1 and 2, 1998, 2006 edition.

(b) A licensee shall not practice public accounting under a firm name that is misleading. Names of one or more past owners may be included in the firm name of a

successor organization. An owner surviving the death or withdrawal of all other owners may continue to practice under a name which includes the name of past owners for up to 2 years after becoming a sole practitioner.

Ac 507.06 Registered Investment Advisors.

(a) A registered investment advisor shall not be deemed an incompatible occupation with that of a certified public accountant or a public accountant.

(b) ~~Certified public accountants~~CPAs and ~~public accountants~~PAs who are registered investment advisors may be compensated on an hourly rate, fixed rate, or as a percentage of assets under management. However, ~~certified public accountants~~CPAs and ~~public accountants~~PAs shall not receive or accept commissions. A certified public accountant or public accountant who simultaneously practices as a ~~type of RIA~~registered investment advisor shall be subject to the standards of independence contained in Ac 502.

APPENDIX: Cross-Reference Table for Statutes Implemented

<u>Rule</u>	<u>Statute Implemented</u>
Ac 204.01	RSA 309-B:11, I, and RSA 309-B:12, I
Ac 204.02	RSA 309-B:11, I
Ac 204.03	RSA 309-B:11, II
Ac 204.04	RSA 309-B:11, II
Ac 212.01	RSA 309-B:10, I; RSA 541-A:31, V(a); and RSA 541-A:38
Ac 214.04	RSA 541-A:11, VII
Ac 214.05	RSA 541-A:11, VII
Ac 301.01	RSA 541-A:7 and RSA 541-A:8
Ac 301.02	RSA 309-B:7, I and RSA 541-A:16, I(b)
Ac 301.03 – Ac 301.09	RSA 309-B:7; RSA 541-A:1, XV; and RSA 541-A:16, I(b)
Ac 301.10	RSA 309-B:8, I, and RSA 541-A:16, I(b)
Ac 301.11 – Ac 301.13	RSA 541-A:16, I(b)
Ac 301.12	RSA 309-B:8, VIII
Ac 301.13	RSA 309-B:6
Ac 301.14	RSA 309-B:4, VIII(h)
Ac 301.15	RSA 309-B:7, II
Ac 302.01	RSA 309-B:4, VIII(c) and RSA 309-B:5, III
Ac 302.02	RSA 309-B:5, III
Ac 302.03	RSA 309-B:5, IX – XI
Ac 302.04	RSA 309-B:5, I and II
Ac 302.05	RSA 309-B:4, VIII(i) and RSA 309-B:5, I
Ac 302.06	RSA 309-B:8, I
Ac 303	RSA 309-B:5, IV – VIII
Ac 304	RSA 309-B:6, I and II
Ac 401.01	RSA 541-A:7 and RSA 541-A:8
Ac 401.02	RSA 541-A:16, I(b)
Ac 401.03(a) and (b)	RSA 309-B:7, II
Ac 401.03(c)	RSA 309-B:8, II
Ac 401.04	RSA 541-A:16, I(b)
Ac 401.05 – Ac 401.06	RSA 309-B:7, VII
Ac 401.07	RSA 309-B:4, VIII(i)
Ac 402	RSA 309-B:10
Ac 403	RSA 309-B:7, VII
Ac 404	RSA 309-B:4, VIII(i)
Ac 500	RSA 309-B:4, VIII(d)